

PT Sterlite Technologies Indonesia

Laporan Keuangan/
Financial Statements

Untuk Tahun-tahun yang Berakhir
31 Desember 2021 dan 2020/

*For the Years Ended
December 31, 2021 and 2020*

dan/and

**Laporan Auditor Independen/
*Independent Auditor's Report***

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**SURAT PERNYATAAN DIREKSI TENTANG
TANGGUNG JAWAB ATAS LAPORAN KEUANGAN
31 DESEMBER 2021 DAN 2020
DAN LAPORAN KEUANGAN UNTUK TAHUN-
TAHUN YANG BERAKHIR PADA TANGGAL 31
DESEMBER 2021 DAN 2020**

**BOARD OF DIRECTORS' STATEMENT LETTER
REGARDING THE RESPONSIBILITY FOR THE
FINANCIAL STATEMENT AS OF DECEMBER 31,
2021 AND 2020
AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED DECEMBER 31, 2021 AND 2020**

PT Sterlite Technologies Indonesia

Kami yang bertanda tangan dibawah ini :

We are the undersigned :

Nama	:	Ankit Agarwal	:	Name
Alamat kantor	:	DBS Bank Tower Lantai 28, Jl Prof. DR Satrio Kav 3-5, Karet, Setiabudi, Kota Adm. Jakarta Selatan, DKI Jakarta	:	Office address
Alamat domisili	:	India, 117, Koregaon Park	:	Domicile address
		South Main Road, Lane-4, Maharashtra India		
Jabatan	:	Direktur Utama/ <i>President Director</i>	:	Position

Menyatakan bahwa

State that:

- | | |
|--|--|
| 1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan PT Sterlite Technologies Indonesia; | 1. <i>We are responsible for the preparation and presentation of the financial statements of PT Sterlite Technologies Indonesia;</i> |
| 2. Laporan keuangan PT Sterlite Technologies Indonesia telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia; | 2. <i>The financial statements of PT Sterlite Technologies Indonesia have been prepared and presented in accordance with Indonesian Financial Accounting Standards;</i> |
| 3. a. Semua informasi dalam laporan keuangan PT Sterlite Technologies Indonesia telah dimuat secara lengkap dan benar; | 3. a. <i>All information contained in the financial statements of PT Sterlite Technologies Indonesia its complete and correct;</i> |
| b. Laporan keuangan PT Sterlite Technologies Indonesia tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material; | b. <i>The financial statements of PT Sterlite Technologies Indonesia do not contain any incorrect information or material fact, not do they omit information of material fact;</i> |
| 4. Kami bertanggungjawab atas sistem pengendalian intern dalam PT Sterlite Technologies Indonesia | 4. <i>We are responsible for PT Sterlite Technologies Indonesia internal control system.</i> |

Demikianlah pernyataan ini dibuat dengan sebenarnya.

This statement letter is made truthfully.

Jakarta, Maret 2022/ March , 2022



Ankit Agarwal
Direktur Utama/ *Presiden Director*



ADI NURONI
REGISTERED PUBLIC ACCOUNTANT

NTU/KAP : 734/KM.1/2019

Jl. Kayu Mas Raya No. 396 RT 005/009 Pulogadung, Pulogadung - Jakarta Timur 13266
Telp : (021) 22485466, email : info@adinuroni-cpa.com

Laporan Auditor Independen
No. 00207/2.1210/AU.2/05/1543-1/III/2022

Independent Auditors' Report
No. 00207/2.1210/AU.2/05/1543-1/III/2022

Pemegang Saham, Komisaris dan Direksi

The Stockholders, Commissioner and Director

PT STERLITE TECHNOLOGIES INDONESIA

PT STERLITE TECHNOLOGIES INDONESIA

Kami telah mengaudit laporan keuangan PT Sterlite Technologies Indonesia terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2021, serta laporan laba atau rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

We have audited the accompanying financial statements of PT Sterlite Technologies Indonesia, which comprise the statements of financial position as of December 31, 2021, 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 a summary of significant accounting policies and other explanatory information.

Tanggung jawab manajemen atas laporan keuangan

Management's responsibility for the financial statements

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan posisi keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Management is responsible for the preparation and fair presentation of such financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements position that are free from material misstatement, whether due to fraud or error.

Tanggung jawab auditor

Auditors' responsibility

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan tersebut berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan tersebut bebas dari kesalahan penyajian material.

Our responsibility is to express an opinion on such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such financial statements are free from material misstatement.

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan posisi keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan posisi keuangan Perusahaan untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektifitasan pengendalian internal Perusahaan. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan posisi keuangan secara keseluruhan.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the statements of financial position, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements position 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the statements of financial position.



ADI NURONI
REGISTERED PUBLIC ACCOUNTANT

NIU KAP : 734/KM.1/2019

Jl. Kayu Mas Raya No. 396 RT 005/009 Pulogadung, Pulogadung - Jakarta Timur 13260
Telp : (021) 22485466, email : info@adinuroni-cpa.com

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Opini

Menurut opini kami, laporan posisi keuangan terlampir menyajikan secara wajar semua yang material posisi keuangan **PT Sterlite Technologies Indonesia** tanggal 31 Desember 2021, serta kinerja keuangan dan arus kas untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Hal lain

Laporan keuangan **PT Sterlite Technologies Indonesia** pada tanggal 31 Desember 2020 dan untuk tahun yang berakhir pada tanggal tersebut telah diaudit oleh Auditor Independen lain No. 00070/2.0359/AU.2/05/0943/0/IV/2021 pada tanggal 16 April 2021.

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

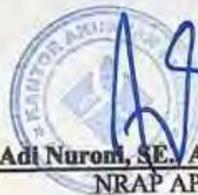
Opinion

In our opinion, the accompanying statements of financial position present fairly, in all material respects, the financial position of **PT Sterlite Technologies Indonesia** as of December 31, 2021, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Other matter

The financial statements of **PT Sterlite Technologies Indonesia** of December 31, 2020 and for the year then ended were audited by other independent auditor's No. 00070/2.0359/AU.2/05/0943/0/IV/2021 dated of April 16, 2021.

KANTOR AKUNTAN PUBLIK ADI NURONI
ADI NURONI REGISTERED PUBLIC ACCOUNTANT



Adi Nuroni, SE, Ak., CA., CPA.
NRAP AP.1543

Jakarta, Maret 2022 / Jakarta, March , 2022

PT Sterlite Technologies Indonesia

LAPORAN POSISI KEUANGAN
31 DESEMBER 2021 DAN 2020

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

(Dinyatakan dalam Rupiah, kecuali dinyatakan lain)

(Expressed in Rupiah, unless otherwise stated)

	2021	Catatan/ Notes	2020	
ASET				ASSETS
ASET LANCAR				CURRENT ASSETS
Kas dan setara kas	4.793.835.768	3	1.376.737.214	Cash and cash equivalents
Piutang usaha				Accounts receivable
- Pihak ketiga	52.641.850	4	3.223.049.110	Third parties -
Persediaan	-	5	3.512.382.750	Inventories
Piutang lain-lain				Other receivables
- Pihak berelasi	6.800.140.000	6	6.800.140.000	Related parties -
Pajak dibayar dimuka	679.945.343	11a	308.867.798	Prepaid taxes
JUMLAH ASET LANCAR	12.326.562.961		15.221.176.872	TOTAL CURRENT ASSETS
ASET TIDAK LANCAR				NON-CURRENT ASSETS
Beban dibayar dimuka	-	6	60.209.953	Prepaid Expenses
JUMLAH ASET	12.326.562.961		15.281.386.826	TOTAL ASSETS
LIABILITAS DAN EKUITAS				LIABILITIES AND EQUITY
LIABILITAS				LIABILITIES
Liabilitas Jangka Pendek				Current Liabilities
Utang usaha				Accounts payables
- Pihak ketiga	2.961.005.310	8	4.094.613.840	Third parties -
Uang muka pelanggan	-	9	138.600.000	Advance from customers
Biaya yang masih harus dibayar	30.072.032	10	29.610.000	Accrued expenses
Utang pajak	-	11b	-	Tax Payables
Jumlah Liabilitas Jangka Pendek	2.991.077.342		4.262.823.840	Total Current Liabilities
Liabilitas Jangka Panjang	-		-	Non Current Liabilities
JUMLAH LIABILITAS	2.991.077.342		4.262.823.840	TOTAL LIABILITIES
EKUITAS				EQUITY
Modal saham - nilai nominal Rp 10.000.000,- (jumlah penuh) per saham				Share capital - nominal value Rp 10.000.000,- (full amount) per share
Modal dasar - 1.100 saham				Authorized - 1.100 shares
Ditempatkan dan disetor penuh				subscribed and paid
1.100 saham	11.000.000.000	12	11.000.000.000	1.100 shares
Saldo laba (rugi)	(1.664.514.380)		18.562.986	Retained earnings (loss)
JUMLAH EKUITAS	9.335.485.620		11.018.562.986	TOTAL EQUITY
JUMLAH LIABILITAS DAN EKUITAS	12.326.562.961		15.281.386.826	TOTAL LIABILITIES AND EQUITY

Catatan atas laporan keuangan merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements.

PT Sterlite Technologies Indonesia

LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF
LAIN
UNTUK TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2021 DAN 2020

STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED
DECEMBER 31, 2021 AND 2020

(Dinyatakan dalam Rupiah, kecuali dinyatakan lain)

(Expressed in Rupiah, unless otherwise stated)

	Catatan / Notes	2021	2020	
Penjualan Bersih	13	10.333.390.900	4.017.110.100	Net Sales
Harga Pokok Penjualan	14	(11.622.370.670)	(3.615.399.090)	Cost of sales
Laba Penjualan		(1.288.979.770)	401.711.010	Gross Profit on Sales
Beban Operasional	15	(410.881.159)	(387.282.157)	Operating Expenses
Laba Usaha		(1.699.860.930)	14.428.853	Operating Profit
Penghasilan (Beban) Lain-Lain				Other Income (Expenses)
- Pendapatan lain-lain		20.808.438	8.158.848	Other income -
- Beban lain-lain		(4.024.875)	(1.730.414)	Other expenses -
Laba Sebelum Pajak Penghasilan		(1.683.077.366)	20.857.287	Profit Before Income Tax
Pajak Penghasilan	11b	-	(2.294.302)	Income Tax
Laba Setelah Pajak Penghasilan		(1.683.077.366)	18.562.986	Profit After Income Tax
Penghasilan Komprehensif Lain		-	-	Other Comprehensive Income
Jumlah Penghasilan Komprehensif- Tahun Berjalan		(1.683.077.366)	18.562.986	Total Comprehensive Income- For The Year

Catatan atas laporan keuangan merupakan bagian yang tidak terpisahkan dari laporan keuangan secara

The accompanying notes to the financial statements form an integral part of these financial statements.

PT Sterlite Technologies Indonesia

LAPORAN PERUBAHAN EKUITAS
UNTUK TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2021 DAN 2020

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED
DECEMBER 31, 2021 AND 2020

(Dinyatakan dalam Rupiah, kecuali dinyatakan lain)

(Expressed in Rupiah, unless otherwise stated)

	Modal saham/ <i>Share capital</i>	Tambahan modal disetor/ <i>Additional paid in capital</i>	Saldo laba / <i>Retained earnings</i>	Jumlah Ekuitas / <i>Shareholder's equity</i>	
Saldo per 31 Desember 2019	11.000.000.000	-	-	11.000.000.000	<i>Balance as of December 31, 2019</i>
Laba tahun berjalan	-	-	18.562.986	18.562.986	<i>Profit for the year</i>
Saldo per 31 Desember 2020	11.000.000.000	-	18.562.986	11.018.562.986	<i>Balance as of December 31, 2020</i>
Laba tahun berjalan	-	-	(1.683.077.366)	(1.683.077.366)	<i>Profit for the year</i>
Saldo per 31 Desember 2021	11.000.000.000	-	(1.664.514.380)	9.335.485.620	<i>Balance as of December 31, 2021</i>

Catatan atas laporan keuangan merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements.

PT Sterlite Technologies Indonesia

LAPORAN ARUS KAS
UNTUK TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2021 DAN 2020

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED
DECEMBER 31, 2021 AND 2020

(Dinyatakan dalam Rupiah, kecuali dinyatakan lain)

(Expressed in Rupiah, unless otherwise stated)

	2021	2020	
ARUS KAS DARI AKTIVITAS OPERASI			CASH FLOWS FROM OPERATING ACTIVITIES
Laba (rugi) bersih	(1.683.077.366)	18.562.986	Net income (loss)
Perubahan modal kerja:			Changes in working capital:
- Piutang usaha	3.170.407.260	(3.223.049.110)	Accounts receivable -
- Persediaan	3.512.382.750	(3.512.382.750)	Inventories -
- Uang muka pajak	(371.077.545)	(308.867.798)	Other receivables -
- Beban dibayar dimuka	60.209.953	(60.209.953)	Prepaid taxes -
- Utang usaha	(1.133.608.530)	4.094.613.840	Accounts payables -
- Uang muka pelanggan	(138.600.000)	138.600.000	Advance from customers -
- Biaya yang masih harus dibayar	462.032	29.610.000	Accrued expenses -
- Utang pajak	-	-	Tax Payables -
Kas bersih dari aktivitas operasi	3.417.098.554	(2.823.122.786)	Net cash provided operating activities
ARUS KAS DARI AKTIVITAS INVESTASI	-	-	CASH FLOWS FROM INVESTING ACTIVITIES
ARUS KAS DARI AKTIVITAS PENDANAAN			CASH FLOWS FROM FINANCING ACTIVITIES
Setoran modal	-	4.199.860.000	Paid-in capital
Kas bersih diperoleh dari aktivitas pendanaan	-	4.199.860.000	Net cash provided by financing activities
KENAIKAN BERSIH KAS DAN SETARA KAS	3.417.098.554	1.376.737.214	NET INCREASE IN CASH AND CASH EQUIVALENTS
KAS DAN SETARA KAS PADA AWAL TAHUN	1.376.737.214	-	CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR
KAS DAN SETARA KAS PADA AKHIR TAHUN	4.793.835.768	1.376.737.214	CASH AND CASH EQUIVALENTS AT END OF YEAR

Catatan atas laporan keuangan merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements.

PT Sterlite Technologies Indonesia

CATATAN ATAS LAPORAN KEUANGAN
UNTUK TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2021 DAN 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2021 AND 2020

(Dinyatakan dalam satuan Rupiah, kecuali dinyatakan lain)

(Expressed in Rupiah, unless otherwise stated)

1. UMUM

1. GENERAL

a. Pendirian dan Informasi Lainnya

PT Sterlite Technologies Indonesia ("Perusahaan") didirikan berdasarkan Akta No. 10 yang dibuat oleh Notaris Dita Okta Sesiya, S.H., M.Kn tanggal 12 Januari 2018 dan telah disahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-0001652.AH.01.01.Tahun 2018 tanggal 16 Januari 2018.

Anggaran dasar Perusahaan telah mengalami beberapa kali perubahan, yang terakhir dengan akta No. 20 yang dibuat dihadapan Notaris Dita Okta Sesiya, S.H., M.Kn tanggal 28 September 2020 dan telah diterima dan dicatat oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan surat No. AHU-0165285.AH.01.11.TAHUN 2020 tanggal 1 Oktober 2020.

Berdasarkan Anggaran Dasar Perusahaan, kegiatan usaha Perusahaan adalah perdagangan peralatan telekomunikasi. Perusahaan berdomisili di Jalan Patih Jelantik, Istana Kuta Galeria Blok BW2, No. 3A, Lingkungan Abian Base, Kuta, Kab. Badung, Bali.

b. Susunan Dewan Komisaris, Direksi dan Karyawan

Susunan Komisaris dan Direksi Perusahaan, pada tanggal 31 Desember 2021 dan 2020 adalah sebagai berikut:

	<u>2021</u>
<u>Dewan Komisaris</u>	
Komisaris	Mohammad Fitrianto
<u>Direksi</u>	
Direktur utama	Ankit Agarwal
Direktur	Daris Salam

Sampai dengan 31 Desember 2021 Perusahaan tidak memiliki karyawan tetap.

a. Establishment and Other Information

PT Sterlite Technologies Indonesia ("The Company") was established base on Notarial Deed No. 10 of Dita Okta Sesiya, S.H., M.Kn dated January 12, 2018 and has been approved by the Ministry of Law and Human Right of the Republic Indonesia No. AHU-0001652.AH.01.01.Tahun 2018 dated January 16, 2018.

The **Company's** Articles of Association has been amended several times most recently by Deed No. 20 of Notaris Dita Okta Sesiya, S.H., M.Kn, dated September 28, 2020, and has been received and recorded by Minister of Law and Human Rights of the Republic of Indonesia in his Decision Letter No. AHU-0165285.AH.01.11.TAHUN 2020 dated October 1, 2020.

Based on the **Company's** Articles of Association, the business activities of the Company are trading of telecom equipment. The Company is domiciled in Jalan Patih Jelantik, Istana Kuta Galeria Blok BW2, No. 3A, Lingkungan Abian Base, Kuta, Kab. Badung, Bali.

b. Board of Commissioners, Directors and Employee

The composition of Commissioner and Directors on December 31, 2021 and 2020, are as follows:

	<u>2020</u>	<u>Board of Commissioner</u>
Mohammad Fitrianto		Commissioner
		<u>Directors</u>
Ankit Agarwal		President Director
Daris Salam		Director

As of December 31, 2021 the company has no permanent employees.

2. IKHTISAR KEBIJAKAN AKUNTANSI

2. SUMMARY OF ACCOUNTING POLICIES

a. Pernyataan kepatuhan

Laporan keuangan disusun sesuai dengan Standar Akuntansi Keuangan di Indonesia.

a. Statement of compliance

The financial statements have been prepared in accordance with Indonesian Financial Accounting Standards.

PT Sterlite Technologies Indonesia

CATATAN ATAS LAPORAN KEUANGAN
UNTUK TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2021 DAN 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2021 AND 2020

(Dinyatakan dalam satuan Rupiah, kecuali dinyatakan lain)

(Expressed in Rupiah, unless otherwise stated)

2. IKHTISAR KEBIJAKAN AKUNTANSI (lanjutan)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

b. Dasar penyajian laporan keuangan

Laporan keuangan ini telah disusun sesuai dengan Standar Akuntansi Keuangan (SAK) yang dikeluarkan oleh Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia.

Dasar penyusunan laporan keuangan menggunakan konsep akrual, kecuali untuk laporan arus kas dan konsep biaya perolehan (*historical cost concept*).

Laporan arus kas disajikan dengan metode langsung dengan mengelompokkan arus kas ke dalam aktivitas operasi, investasi dan pendanaan.

Mata uang pelaporan yang digunakan dalam penyusunan laporan keuangan ini adalah Rupiah (Rp).

b. *Basis of presentation of the financial statements*

These financial statements have been prepared in accordance with Statement of Financial Accounting Standard (SAK) issued by the Financial Accounting Standards Board of the Indonesian Institute of Accountants.

The preparation of the financial statements used the accrual basic concept, except for the statements of cash flows and the historical cost concept.

The statements of cash flows are prepared using the direct method by grouping cash flows into operational, investing, and financing activities.

The reporting currency used in the preparation of these financial statements is the Rupiah (Rp).

c. Transaksi dengan pihak berelasi

Perusahaan melakukan transaksi dengan pihak-pihak yang berelasi sebagaimana didefinisikan dalam SAK No. 7 mengenai "Pengungkapan Pihak-pihak Berelasi".

Meskipun transaksi ini dilakukan dengan prinsip *arm's-length* adalah mungkin persyaratan transaksi tersebut di atas tidak sama dengan transaksi lain yang dilakukan dengan pihak-pihak yang tidak berelasi. Seluruh transaksi dan saldo yang material dengan pihak-pihak yang berelasi diungkapkan dalam catatan atas laporan keuangan.

c. *Transaction with related parties*

Company enters into transactions with related parties as defined in SAK No. 7 regarding "Related Party Disclosures".

Although the transactions are made as if on an arm's-length basis, it is possible that the terms of these transactions are not the same as those that would result from transactions between wholly unrelated parties. All significant transactions and balances with related parties are disclosed in the notes to the financial statements.

d. Transaksi dan saldo mata uang asing

Transaksi dalam mata uang asing dijabarkan ke mata uang Rupiah dengan menggunakan kurs yang berlaku pada tanggal transaksi. Pada akhir periode pelaporan, aset dan kewajiban moneter dalam mata uang asing dijabarkan dengan kurs tengah Bank Indonesia yang berlaku pada akhir periode pelaporan.

Keuntungan dan kerugian dari selisih kurs yang timbul dari transaksi dalam mata uang asing dan penjabaran aset dan kewajiban moneter dalam mata uang asing, diakui pada laporan laba rugi.

Kurs tengah Bank Indonesia per 31 Desember 2021 dan 2020 adalah:

d. *Transaction and balances in foreign currency*

Transactions denominated in a foreign currency are converted into Rupiah at the exchange rate prevailing at the date of the transaction. At the end of reporting period, monetary assets and liabilities in foreign currencies are translated at the Bank Indonesia currency rate prevailing at that date.

Exchange gains and losses arising on transactions in foreign currencies and on the translation of foreign currency monetary assets and liabilities are recognised in the statement of income.

Bank Indonesia currency rates on December 31, 2021 and 2020 as follows:

		31 Desember 2021/ <u>December 31, 2021</u>		31 Desember 2020/ <u>December 31, 2020</u>	
	USD	Rp	14.269,00	Rp	14.105,00
					USD

(Dinyatakan dalam satuan Rupiah, kecuali dinyatakan lain)

*(Expressed in Rupiah, unless otherwise stated)***2. IKHTISAR KEBIJAKAN AKUNTANSI (lanjutan)****2. SUMMARY OF ACCOUNTING POLICIES (continued)**

e. Aset dan kewajiban keuangan

e. *Financial assets and liabilities*

1. Aset keuangan

1. *Financial assets*

Pengakuan awal

Beginning recognition

Perusahaan mengklasifikasikan aset keuangannya dalam kategori (i) aset keuangan yang diukur dengan biaya amortisasi, (ii) aset keuangan yang diukur dengan nilai wajar melalui laba rugi atau melalui penghasilan komprehensif lain. Klasifikasi ini tergantung dari tujuan perolehan aset keuangan tersebut. Manajemen menentukan klasifikasi aset keuangan tersebut pada saat awal pengakuannya.

The Company classifies its financial assets in the following categories of (i) financial assets at amortized cost (ii) financial assets at Fair Value Through Profit and Loss (FVTPL) or Other Comprehensive Income (FVOCI). The classification depends on the purpose for which the financials assets were acquired. Management determines the classification of its financial assets at initial recognition.

Semua aset keuangan pada awalnya diakui sebesar nilai wajarnya ditambah dengan biaya-biaya transaksi, kecuali aset keuangan dicatat pada nilai wajar melalui laporan laba rugi .

All financial assets are recognized initially at fair value plus transaction costs, except in the case of financial assets which are recorded at fair value through profit or loss.

Pembelian atau penjualan aset keuangan yang memerlukan penyerahan aset dalam kurun waktu yang ditetapkan oleh peraturan atau kebiasaan yang berlaku di pasar (perdagangan yang lazim) diakui pada tanggal penyelesaian, yaitu pada tanggal aset tersebut diserahkan kepada atau oleh Perusahaan.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on settlement date, i.e. the date that an asset is delivered to or by the Company.

2. Kewajiban keuangan

2. *Financial liabilities*

Pengakuan awal

Beginning recognition

Liabilitas keuangan dalam lingkup PSAK 71 diklasifikasikan sebagai berikut: 1. Liabilitas keuangan yang diukur dengan biaya diamortisasi. 2. Liabilitas keuangan yang diukur dengan nilai wajar melalui laba rugi atau melalui penghasilan komprehensif lain.

Financial liabilities within the scope of PSAK 71 are classified as follows: 1. Financial liabilities at amortized cost. 2. Financial liabilities at FVTPL or FVOCI.

Perusahaan menentukan klasifikasi liabilitas keuangan mereka pada saat pengakuan awal. Perusahaan hanya memiliki liabilitas keuangan yang diukur dengan biaya diamortisasi.

The Company determines the classification of its financial liabilities at initial recognition. The Company only has financial liabilities at amortized cost.

Seluruh liabilitas keuangan diakui pada awalnya sebesar nilai wajar dan, dalam hal pinjaman dan utang, termasuk biaya transaksi yang dapat diatribusikan secara langsung.

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

(Dinyatakan dalam satuan Rupiah, kecuali dinyatakan lain)

(Expressed in Rupiah, unless otherwise stated)

2. IKHTISAR KEBIJAKAN AKUNTANSI (lanjutan)2. SUMMARY OF ACCOUNTING POLICIES (continued)

e. Aset dan kewajiban keuangan (lanjutan)

e. Financial assets and liabilities (continued)

3. Pengukuran setelah pengakuan awal

3. Measurement after beginning recognition

Pengukuran aset keuangan setelah pengakuan awal tergantung pada klasifikasinya sebagai berikut:

The subsequent measurement of financial assets depends on their classification as follows:

Aset keuangan yang diukur dengan biaya diamortisasiFinancial assets at amortized cost

Aset keuangan yang diukur dengan biaya diamortisasi selanjutnya diukur dengan menggunakan metode suku bunga efektif (Effective Interest Rate) ("EIR"), setelah dikurangi dengan penurunan nilai. Biaya perolehan yang diamortisasi dihitung dengan memperhitungkan diskonto atau premi atas biaya akuisisi atau biaya yang merupakan bagian integral dari EIR tersebut. Amortisasi EIR dicatat dalam laporan laba rugi. Kerugian yang timbul dari penurunan nilai juga diakui pada laporan laba rugi.

Financial assets at amortized cost are subsequently measured using the Effective Interest Rate ("EIR") method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition fees or costs that are an integral part of the EIR. The EIR amortization is included in the profit or loss. The losses arising from impairment are also recognized in the profit or loss.

Aset keuangan yang diukur pada nilai wajar melalui laporan laba rugiFinancial assets at fair value through profit or loss

Aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi selanjutnya disajikan dalam laporan posisi keuangan sebesar nilai wajar, dengan perubahan nilai wajar yang diakui dalam laporan laba rugi.

Financial assets at fair value through profit or loss are subsequently carried in the statement of financial position at fair value, with changes in fair value recognized in the profit or loss.

Pengukuran liabilitas keuangan tergantung pada klasifikasinya sebagai berikut:

The measurement of financial liabilities depends on their classification as follows:

Liabilitas keuangan yang diukur dengan biaya diamortisasiFinancial liabilities at amortized cost

Liabilitas keuangan yang diukur pada biaya amortisasi (misalnya pinjaman dan utang yang dikenakan bunga) selanjutnya diukur dengan menggunakan metode EIR. Amortisasi EIR termasuk di dalam biaya keuangan dalam laporan laba rugi.

Financial liabilities at amortized cost (e.g interest-bearing loans and borrowings) are subsequently measured using the EIR method. The EIR amortization is included in finance costs in the profit or loss.

4. Pengakuan

4. Recognition

Pada saat pengakuan awal, aset atau kewajiban keuangan diukur pada nilai wajar, kecuali aset dan kewajiban keuangan yang diukur pada nilai wajar melalui laporan laba rugi, ditambah atau dikurangi dengan biaya transaksi yang dapat diatribusikan secara langsung atas perolehan aset keuangan atau penerbitan kewajiban keuangan.

At initial recognition, financial assets or liabilities are measured at fair value, except for financial assets and liabilities that measured at fair value through profit and loss, plus or minus the transaction costs that are directly attributable to the acquisition of financial assets or issuance of financial liabilities.

Pengukuran aset dan kewajiban keuangan setelah pengakuan awal tergantung pada klasifikasi aset dan kewajiban keuangan tersebut.

The subsequent measurement of financial assets and liabilities depends on the classification of financial assets and liabilities.

(Dinyatakan dalam satuan Rupiah, kecuali dinyatakan lain)

*(Expressed in Rupiah, unless otherwise stated)***2. IKHTISAR KEBIJAKAN AKUNTANSI (lanjutan)****2. SUMMARY OF ACCOUNTING POLICIES (continued)**

e. Aset dan kewajiban keuangan (lanjutan)

e. *Financial assets and liabilities (continued)*

5. Pengukuran nilai wajar

5. *Fair value measurement*

Nilai wajar adalah nilai dimana suatu aset dapat dipertukarkan, atau suatu kewajiban diselesaikan antara pihak yang memahami dan berkeinginan untuk melaksanakan transaksi wajar (*arm's length transaction*) pada tanggal pengukuran.

Fair value is the amount for which an asset could be exchanged, or a liability is settled between knowledgeable, willing parties in an arm's length transactions on the date of measurement.

Jika tersedia, Perusahaan mengukur nilai wajar instrumen keuangan dengan menggunakan harga kuotasi di pasar aktif untuk instrumen tersebut. Suatu pasar dianggap aktif jika harga kuotasi sewaktu waktu dan secara berkala tersedia dan mencerminkan transaksi pasar yang aktual dan teratur dalam suatu transaksi yang wajar.

When available, the Company measures the fair value of an instrument by using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and reflect actual and regularly occurred market transactions on an arm's length basis.

Jika pasar suatu instrumen keuangan tidak aktif, Perusahaan menentukan nilai wajar dengan menggunakan teknik penilaian mencakup penggunaan transaksi pasar terkini yang dilakukan secara wajar oleh pihak-pihak yang memahami, berkeinginan, dan jika tersedia, referensi atas nilai wajar terkini dari instrumen lain yang secara substansial sama, penggunaan analisa arus kas yang didiskonto dan penggunaan model penetapan harga opsi (*option pricing model*).

If the market of the financial instrument is inactive, the Company determines fair value by using valuation techniques including the use of recent market transactions conducted properly by knowledgeable, willing parties, and if available, reference to the current fair value of another instrument which is substantially the same, discounted cash flow analysis and option pricing model.

6. Pengukuran biaya perolehan diamortisasi

6. *Amortized cost measurement*

Biaya perolehan diamortisasi dari aset dan kewajiban keuangan adalah jumlah aset atau kewajiban keuangan yang diukur pada saat pengakuan awal dikurangi pembayaran pokok, ditambah atau dikurangi dengan amortisasi kumulatif dengan menggunakan metode suku bunga efektif yang dihitung dari selisih antara nilai awal dan nilai jatuh temponya, dan dikurangi penyisihan kerugian penurunan nilai.

Amortized cost of financial assets or liabilities is the amount at which the financial assets or liabilities are measured at initial recognition, minus principal payments, plus or minus the cumulative amortization by using the effective interest rate method, calculated from the difference between the initial amount and maturity amount, minus any reduction for impairment.

7. Penurunan nilai dari aset keuangan

7. *Impairment of financial assets*

Pada setiap periode pelaporan, Perusahaan menilai apakah risiko kredit dari instrumen keuangan telah meningkat secara signifikan sejak pengakuan awal. Ketika melakukan penilaian, Perusahaan menggunakan perubahan atas risiko gagal bayar yang terjadi sepanjang perkiraan usia instrumen keuangan daripada perubahan atas jumlah kerugian kredit ekspektasian.

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Company use the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses.

(Dinyatakan dalam satuan Rupiah, kecuali dinyatakan lain)

*(Expressed in Rupiah, unless otherwise stated)***2. IKHTISAR KEBIJAKAN AKUNTANSI (lanjutan)****2. SUMMARY OF ACCOUNTING POLICIES (continued)**

e. Aset dan kewajiban keuangan (lanjutan)

e. *Financial assets and liabilities (continued)*

7. Penurunan nilai dari aset keuangan (lanjutan)

7. *Impairment of financial assets (continued)*

Dalam melakukan penilaian, Perusahaan membandingkan antara risiko gagal bayar yang terjadi atas instrumen keuangan pada saat periode pelaporan dengan risiko gagal bayar yang terjadi atas instrumen keuangan pada saat pengakuan awal dan mempertimbangkan kewajaran serta ketersediaan informasi, yang tersedia tanpa biaya atau usaha pada saat tanggal pelaporan terkait dengan kejadian masa lalu, kondisi terkini dan perkiraan atas kondisi ekonomi di masa depan, yang mengindikasikan kenaikan risiko kredit sejak pengakuan awal.

To make that assessment, the Company compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions, that is indicative of significant increases in credit risk since initial recognition.

Perusahaan menerapkan metode yang disederhanakan untuk mengukur kerugian kredit ekspektasian tersebut terhadap piutang usaha dan aset kontrak tanpa komponen pendanaan yang signifikan.

The Company applied a simplified approach to measure such expected credit loss for trade receivables and contract assets without significant financing component.

8. Penghentian pengakuan

8. *Derecognition*

Perusahaan menghentikan pengakuan aset keuangan pada saat hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut kadaluarsa atau Perusahaan mentransfer seluruh hak untuk menerima arus kas kontraktual dari aset keuangan dalam transaksi dimana Perusahaan secara substansial telah mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan yang ditransfer. Setiap hak atau kewajiban atas aset keuangan yang ditransfer yang timbul atau yang masih dimiliki oleh Perusahaan diakui sebagai aset atau kewajiban secara terpisah.

The Company derecognizes financial assets when the contractual rights to the cash flows arising from financial assets are expired or the Company transfers all rights to receive contractual cash flows from financial assets in a transaction where the Company has transferred substantially all the risks and rewards of ownership of transferred financial assets. Any rights or obligations on the transferred financial assets that arise or are still owned by the Company are recognized as assets or liabilities separately.

Perusahaan menghentikan pengakuan kewajiban keuangan pada saat kewajiban yang ditetapkan dalam kontrak dilepaskan atau dibatalkan atau kadaluarsa.

The Company derecognizes financial liabilities when the obligation which is specified in the contract is released or canceled or expired.

Dalam transaksi dimana Perusahaan secara substansial tidak memiliki atau tidak mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan, Perusahaan menghentikan pengakuan aset tersebut jika Perusahaan tidak lagi memiliki pengendalian atas aset tersebut. Hak dan kewajiban yang timbul atau yang masih dimiliki dalam transfer tersebut diakui secara terpisah sebagai aset atau kewajiban. Dalam transfer dimana pengendalian atas aset masih dimiliki, Perusahaan tetap mengakui aset yang ditransfer tersebut sebesar keterlibatan yang berkelanjutan, dimana tingkat keberlanjutan Perusahaan dalam aset yang ditransfer adalah sebesar perubahan nilai aset yang ditransfer.

In transactions where the Company neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, the Company derecognizes the asset if it does not retain control over the assets. The rights and obligations that retained in the transfer are recognized separately as assets and liabilities as appropriate. In transfers where control over the asset is retained, the Company continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

(Dinyatakan dalam satuan Rupiah, kecuali dinyatakan lain)

*(Expressed in Rupiah, unless otherwise stated)***2. IKHTISAR KEBIJAKAN AKUNTANSI (lanjutan)****2. SUMMARY OF ACCOUNTING POLICIES (continued)**

e. Aset dan kewajiban keuangan (lanjutan)

e. *Financial assets and liabilities (continued)*

9. Saling hapus

9. *Offsetting*

Aset dan kewajiban keuangan saling hapus dan nilai bersih dilaporkan dalam neraca jika, dan hanya jika, ada hak hukum saat ini yang dilaksanakan untuk mengimbangi jumlah yang diakui dan ada niat untuk menyelesaikan secara bersih, atau untuk merealisasikan aset dan menyelesaikan kewajiban secara bersamaan.

Financial assets and liabilities are set off and the net amount is presented in the balance sheets if, and only if, the Company has a legal right to set off the amounts and intends either to settle on a net basis or realize the asset and settle the liability simultaneously.

f. Penggunaan estimasi

f. *Use of estimates*

Penyusunan laporan keuangan sesuai dengan prinsip akuntansi yang berlaku umum mengharuskan manajemen untuk membuat estimasi dan asumsi yang mempengaruhi jumlah aset dan liabilitas dan pengungkapan aset dan kewajiban kontinjen pada tanggal laporan keuangan serta jumlah pendapatan dan beban selama periode pelaporan. Hasil yang sebenarnya mungkin berbeda dari jumlah yang diestimasi.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

g. Kas dan setara kas

g. *Cash and cash equivalents*

Kas dan setara kas meliputi kas dan bank dan deposito berjangka dengan jangka waktu 3 (tiga) bulan atau kurang sejak tanggal penempatan dan tidak dijadikan sebagai jaminan dan tidak dibatasi penggunaannya.

Cash and cash equivalents represent cash on hand and in banks and time deposits with maturities of 3 (three) months or less at the time of placement and not pledged as collateral and without any restrictions in the usage.

h. Piutang

h. *Receivables*

Piutang disajikan dalam jumlah bersih setelah dikurangi dengan penyisihan piutang tidak tertagih, yang diestimasi berdasarkan penelaahan atas kolektibilitas saldo piutang. Piutang dihapuskan pada saat piutang tersebut dipastikan tidak akan tertagih.

Receivables are recorded net of provision for doubtful accounts, based on a review of the collectibility of outstanding amounts. Account receivables will be written-off when it determined to be uncollectible.

i. Biaya dibayar dimuka

i. *Prepaid expenses*

Biaya dibayar dimuka diamortisasi selama manfaat masing-masing biaya dengan menggunakan metode garis lurus.

Prepaid expenses are amortized over their beneficial periods using the straight-line method.

(Dinyatakan dalam satuan Rupiah, kecuali dinyatakan lain)

(Expressed in Rupiah, unless otherwise stated)

2. IKHTISAR KEBIJAKAN AKUNTANSI (lanjutan)**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

j. Pengakuan pendapatan dan beban

Pendapatan

Pendapatan diakui bila besar kemungkinan manfaat ekonomi akan diperoleh oleh Perusahaan dan jumlahnya dapat diukur secara andal. Pendapatan diukur pada nilai wajar pembayaran yang diterima, tidak termasuk diskon, rabat dan Pajak Pertambahan Nilai. Kriteria spesifik juga harus dipenuhi sebelum pendapatan diakui untuk penjualan barang. Pendapatan dari penjualan yang timbul dari pengiriman fisik produk Perusahaan diakui pada saat risiko dan manfaat signifikan atas kepemilikan barang dagang telah dipindahkan kepada pelanggan.

Beban

Beban diakui pada saat terjadinya (*accrual basis*).

k. Perpajakan

Aset dan kewajiban pajak tangguhan diakui atas konsekuensi pajak periode mendatang yang timbul dari perbedaan jumlah tercatat aset dan kewajiban menurut laporan keuangan dengan dasar pengenaan pajak aset dan kewajiban.

Kewajiban pajak tangguhan diakui untuk semua perbedaan temporer kena pajak dan Aset pajak tangguhan diakui untuk perbedaan temporer yang boleh dikurangkan, sepanjang besar kemungkinan dapat dimanfaatkan untuk mengurangi laba kena pajak pada masa datang.

Pajak tangguhan diukur dengan menggunakan tarif pajak yang berlaku atau secara substansial telah berlaku pada akhir periode pelaporan. Pajak tangguhan dibebankan atau dikreditkan dalam laporan laba rugi, kecuali pajak tangguhan yang dibebankan atau dikreditkan langsung ke ekuitas.

Aset dan kewajiban pajak tangguhan disajikan pada laporan posisi keuangan, kecuali aset dan kewajiban pajak tangguhan untuk entitas yang berbeda, atas dasar kompensasi sesuai dengan penyajian aset dan kewajiban pajak kini.

b. Perubahan kebijakan akuntansi dan pengungkapan

Berikut adalah standar dan interpretasi yang tidak menimbulkan dampak yang signifikan terhadap laporan keuangan:

- Amandemen PSAK 55 "Instrumen keuangan: pengakuan dan pengukuran"
- Amandemen PSAK 60 "Instrumen keuangan: pengungkapan"
- Amandemen PSAK 71 "Instrumen keuangan"
- Amandemen PSAK 73 "Sewa"

j. Recognition of revenues and expenses

Revenue

Revenue is recognized to extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured at the fair value of the consideration received, excluding discounts, rebates and Value Added Tax. Specific recognition criteria must also be met before revenue is recognized for sale of goods. Revenue from sales arising from physical delivery of the Company is recognized upon the transfer of significant risk and rewards of ownership of the goods to customers which generally coincide with their delivery and acceptance.

Expenses

Expenses are recognized when incurred (*accrual basis*).

k. Taxation

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of assets and liabilities and their respective tax bases.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable income will be available in future periods against which the deductible temporary differences can be utilized.

Deferred tax is calculated the tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is charged or credited in the statements of income, except when it relates to items charged or credited directly to equity.

Deferred tax assets and liabilities are offset in the statement of financial position in the same manner the current tax assets and liabilities are presented.

b. Changes in accounting policy and disclosures

The following standards and interpretation did not result in a significant effect on the financial statements:

- Amendment to SFAS 55 "Financial instruments: recognition and measurement"
- Amendment to SFAS 60 "Financial instruments: disclosure"
- Amendment to SFAS 60 "Financial instruments: disclosure"
- Amendment to SFAS 73 "Leases"

PT Sterlite Technologies Indonesia

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
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(Expressed in Rupiah, unless otherwise stated)

3. KAS DAN SETARA KAS		3. CASH AND CASH EQUIVALENTS	
	2021	2020	
PT Bank DBS Indonesia - IDR	4.784.095.139	972.594.419	PT Bank DBS Indonesia - IDR
PT Bank DBS Indonesia - USD	7.454.155	284.142.795	PT Bank DBS Indonesia - USD
PT Bank SBI Indonesia	2.286.474	120.000.000	PT Bank SBI Indonesia
JUMLAH KAS DAN SETARA KAS	4.793.835.768	1.376.737.214	TOTAL CASH AND CASH EQUIVALENTS
4. PIUTANG USAHA		4. ACCOUNTS RECEIVABLE	
	2021	2020	
Pihak Ketiga :			Third parties :
- PT Aguna Satya Mulya	-	942.892.500	PT Aguna Satya Mulya -
- PT Era Bangun Jaya	52.641.850	-	PT Era Bangun Jaya -
- PT Fajar Mitra Krida Abadi	-	2.280.156.610	PT Fajar Mitra Krida Abadi -
JUMLAH PIUTANG USAHA	52.641.850	3.223.049.110	TOTAL ACCOUNTS RECEIVABLE
5. PERSEDIAAN		5. INVENTORIES	
	2021	2020	
Terdiri dari :			Consists of :
- Kabel serat optik	-	3.512.382.750	Optical fiber cable -
JUMLAH PERSEDIAAN	-	3.512.382.750	TOTAL INVENTORIES
6. PIUTANG LAIN-LAIN		6. OTHERS PAYABLES	
	2021	2020	
Terdiri dari :			Consists of :
- Modal saham yang belum disetor	6.800.140.000	6.800.140.000	Unpaid share capital -
JUMLAH PIUTANG LAIN-LAIN	6.800.140.000	6.800.140.000	TOTAL OTHER RECEIVABLES
7. BIAYA DIBAYAR DIMUKA		7. PREPAID EXPENSES	
	2021	2020	
Terdiri dari :			Consists of :
- Jasa profesional	-	6.346.620	Professional services -
- Nominee renewal	-	53.863.333	Nominee renewal -
JUMLAH BIAYA DIBAYAR DIMUKA	-	60.209.953	TOTAL PREPAID EXPENSES

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NOTES TO THE FINANCIAL STATEMENTS
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(Expressed in Rupiah, unless otherwise stated)

8. UTANG USAHA		8. ACCOUNT PAYABLES	
	2021	2020	
Terdiri dari :			Consists of :
Pihak berelasi:			Related parties :
- Sterlite Technologies Limited	2.961.005.310	4.094.613.840	Sterlite Technologies Limited -
JUMLAH UTANG USAHA	2.961.005.310	4.094.613.840	TOTAL ACCOUNT PAYABLES
9. UANG MUKA PELANGGAN		9. ADVANCE FROM CUSTOMERS	
	2021	2020	
Terdiri dari :			Consists of :
- PT Fajar Mitra Krida Abadi	-	138.600.000	PT Fajar Mitra Krida Abadi -
JUMLAH UANG MUKA PELANGGAN	-	138.600.000	ADVANCE FROM CUSTOMERS
10. BIAYA YANG MASIH HARUS DIBAYAR		10. ACCRUED EXPENSES	
	2021	2020	
Terdiri dari :			Consists of :
- Biaya audit	30.072.032	29.610.000	Audit fees -
JUMLAH BIAYA YANG MASIH HARUS DIBAYAR	30.072.032	29.610.000	TOTAL ACCRUED EXPENSES
11. PERPAJAKAN		11. TAXATION	
a. Pajak dibayar dimuka		a. Prepaid taxes	
	2021	2020	
Terdiri dari :			Consists of :
- PPh pasal 28a	198.973.240	128.928.698	Income tax article 28a -
- PPn masukan - bersih	480.972.103	179.939.100	VAT in - net -
JUMLAH HUTANG PAJAK	679.945.343	308.867.798	TOTAL TAX PAYABLES

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(Expressed in Rupiah, unless otherwise stated)

11. PERPAJAKAN (lanjutan)

11. TAXATION (continued)

Rekonsiliasi antara laba sebelum pajak Perusahaan dengan penghasilan kena pajak Perusahaan untuk tahun yang berakhir pada tanggal 31 Desember 2021 dan 2020 adalah sebagai berikut:

The reconciliation between profit before income tax of the Company and the **Company's** estimated taxable income for the year ended December 31, 2021 and 2020 is as follows:

	2021	2020	
Laba (rugi) sebelum pajak	(1.683.077.366)	20.857.287	Income (loss) before tax
Koreksi fiskal:			Fiscal correction:
- Pendapatan jasa giro	(11.319.835)	-	Interest Income -
- biaya jasa giro	4.024.875	-	Bank charge -
Penghasilan neto fiskal	(1.690.372.326)	20.857.287	Fiscal net income
Beban pajak penghasilan kini Perusahaan	-	2.294.302	Current income tax expenses of the Company
Pembayaran pajak dimuka Perusahaan			Prepayment of income taxes of the Company
- Pasal 25	(1.659.240)	-	Article 25 -
- Pasal 22	(197.314.000)	(131.223.000)	Article 22 -
Lebih bayar pajak penghasilan (PPH 28a)	(198.973.240)	(128.928.698)	Prepaid income tax (PPH 28a)

12. MODAL SAHAM

12. SHARE CAPITAL

Rincian kepemilikan saham Perusahaan dengan nilai nominal Rp 10.000.000 per saham pada tanggal 31 Desember 2021 dan 2020 adalah sebagai berikut:

The details of share ownership of the Company with par value of Rp 10.000.000 per share as of December 31, 2021 and 2020 are as follows:

31 Desember 2021 dan 2020 / December 31, 2021 and 2020			
Pemegang Saham / Shareholders	Persentase Kepemilikan / Percentage of ownership	Lembar Saham / Number of Shares	Jumlah / Total (Rp)
Ankit Agarwal	3,00%	33	330.000.000
Sterlite Technologies Limited	97,00%	1.067	10.670.000.000
Jumlah	100%	1.100	11.000.000.000

13. PENJUALAN BERSIH

13. NET SALES

	2021	2020	
Merupakan penjualan kepada:			Represents sales to:
- PT Fajar Mitra Krida Abadi	1.257.309.900	3.159.935.100	PT Fajar Mitra Krida Abadi -
- PT Aguna Satya Mulya	2.385.247.500	857.175.000	PT Aguna Satya Mulya -
- PT Era Bangun Telecomindo	1.997.833.500	-	PT Era Bangun Telecomindo -
- PT Indonesia Comnets Plus	4.693.000.000	-	PT Indonesia Comnets Plus -
JUMLAH PENJUALAN BERSIH	10.333.390.900	4.017.110.100	TOTAL NET SALES

PT Sterlite Technologies Indonesia

CATATAN ATAS LAPORAN KEUANGAN
UNTUK TAHUN YANG BERAKHIR PADA TANGGAL
31 DESEMBER 2021 DAN 2020

(Dinyatakan dalam satuan Rupiah, kecuali dinyatakan lain)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2021 AND 2020

(Expressed in Rupiah, unless otherwise stated)

14. HARGA POKOK PENJUALAN

	2021	2020
Terdiri dari :		
- Harga pokok persediaan yang dijual	11.622.370.670	3.615.399.090
JUMLAH HARGA POKOK PENJUALAN	11.622.370.670	3.615.399.090

14. COST OF GOODS SOLD

Consists of :
Cost of goods sold -
TOTAL COST OF GOODS SOLD

15. BEBAN OPERASIONAL

	2021	2020
Terdiri dari :		
Biaya penjualan		
- Biaya komisi	93.860.000	-
Administrasi dan Umum		
Jasa profesional	139.136.303	216.274.657
Biaya Pengujian	160.077.600	171.007.500
Administrasi lainnya	8.807.256	-
Sewa	9.000.000	-
JUMLAH BEBAN OPERASIONAL	410.881.159	387.282.157

15. OPERATING EXPENSES

Consists of :
Sales expenses
Commission expenses -
General and Administrative
Professional Expense
Testing Charges
Others administrative
Rent
TOTAL OPERATING EXPENSES

16. TANGGUNG JAWAB PENYELESAIAN LAPORAN KEUANGAN

Manajemen Perusahaan bertanggung jawab atas penyusunan laporan keuangan dan telah menyetujui untuk menerbitkan laporan keuangan untuk tahun yang berakhir 31 Desember 2021 pada 23 Maret 2022.

16. RESPONSIBILITY FOR THE COMPLETION OF THE FINANCIAL STATEMENTS

The management of the Company is responsible for the preparation of these financial statements and has agreed to publish the financial statements for the year ended December 31, 2021 on March 23, 2022.

METALLURGICA BRESCIANA SPA a socio unico

Financial statements to 31-12-2021

Name and id code	
Company site	VIA G. MARCONI 31 DELLO BS
Fiscal code	02132320173
Registration number	BS 02132320173
VAT number	02132320173
Share capital Euro	7.000.000 f.p.
Legal form	SOCIETA' PER AZIONI
Activity Code (ATECO)	273200
Company being wound up	no
Company with a single shareholder	yes
Company subject to the management and coordination of others	yes
Name of the company or entity that exercises management and coordination	STERLITE TECHNOLOGIES LIMITED
Belonging to a group	yes
Name of the controlling entity	STERLITE TECHNOLOGIES LIMITED
Country of the controlling entity	INDIA

Balance sheet (mandatory scheme)

	31-12-2021	31-12-2020
Balance sheet (mandatory scheme)		
Assets		
A) receivables due from shareholders		
Called	-	1.950.000
Total receivables due from shareholders (A)	-	1.950.000
B) Fixed assets		
I - Intangible fixed assets		
3) industrial patents and intellectual property rights	155.905	36.844
4) concessions, licenses, trademarks and similar rights	183	366
5) goodwill	4.282.276	4.282.276
7) other	466.603	559.973
Total intangible fixed assets	4.904.967	4.879.459
II - Tangible fixed assets		
1) land and buildings	12.484.705	12.469.838
2) plant and machinery	7.132.209	8.402.394
3) industrial and commercial equipment	17.508	99.552
4) other assets	293.107	79.586
5) assets under construction and payments on account	11.326	18.093
Total tangible fixed assets	19.938.855	21.069.463
III - Financial fixed assets		
1) equity investments		
b) associated companies	1.603.013	1.603.013
d-b) other companies	2.931	3.710
Total equity investments	1.605.944	1.606.723
2) receivables due from		
d-b) due from others		
due within the following year	20.731	20.731
Total receivables due from third parties	20.731	20.731
Total receivables	20.731	20.731
Total financial fixed assets	1.626.675	1.627.454
Total fixed assets (B)	26.470.497	27.576.376
C) Current assets		
I - Inventories		
1) raw, ancillary and consumable materials	5.221.280	5.805.632
2) work in progress and semi-finished products	2.417.117	2.387.180
4) finished products and goods for resale	7.550.823	6.348.263
5) advances	225.174	335.823
Total inventories	15.414.394	14.876.898
II - Receivables		
1) trade accounts		
due within the following year	11.550.072	14.361.116
Total trade accounts	11.550.072	14.361.116
3) due from associated companies		
due within the following year	4.293.089	7.236.969
Total receivables due from associated companies	4.293.089	7.236.969
4) due from parent companies		
due within the following year	745.487	399.851

Total receivables due from parent companies	745.487	399.851
5-b) tax receivables		
due within the following year	1.333.786	1.439.774
Total receivables due from tax authorities	1.333.786	1.439.774
5-c) prepaid tax	329.937	356.855
5-d) other receivables		
due within the following year	233.955	199.938
Total receivables due from third parties	233.955	199.938
Total receivables	18.486.326	23.994.503
IV - Liquid funds		
1) bank and post office deposits	2.476.907	2.547.735
3) cash and equivalents on hand	410	1.018
Total liquid funds	2.477.317	2.548.753
Total current assets (C)	36.378.037	41.420.154
D) Accrued income and prepayments	731.122	303.312
Total assets	63.579.656	71.249.842
Liabilities and shareholders' equity		
A) Shareholders' equity		
I - Share capital	7.000.000	7.000.000
IV - Legal reserve	1.126.174	-
VI - Other reserves, indicated separately		
Extraordinary reserve	(1.808.728)	(1.808.728)
Total other reserves	(1.808.728)	(1.808.728)
IX - Net profit (loss) for the year	3.449.137	3.076.174
Total shareholders' equity	9.766.583	8.267.446
B) Reserves for contingencies and other charges		
1) pension and similar commitments	218.282	218.282
2) taxation	813.678	816.464
3) passive derivative financial instruments	46.374	46.374
4) other	30.000	30.000
Total reserves for contingencies and other charges	1.108.334	1.111.120
Total reserve for severance indemnities (TFR)	444.366	588.608
D) Payables		
4) due to banks		
due within the following year	11.506.081	11.515.689
due beyond the following year	28.845.714	37.470.000
Total payables due to banks	40.351.795	48.985.689
6) advances		
due within the following year	2.680	16.856
Total advances	2.680	16.856
7) trade accounts		
due within the following year	7.498.184	7.146.790
Total trade accounts	7.498.184	7.146.790
10) due to associated companies		
due within the following year	57.127	1.053
Total payables due to associated companies	57.127	1.053
11) due to parent companies		
due within the following year	2.563.126	3.256.536
Total payables due to parent companies	2.563.126	3.256.536
12) due to tax authorities		
due within the following year	149.363	281.869

Total payables due to tax authorities	149.363	281.869
13) due to social security and welfare institutions		
due within the following year	482.517	313.645
Total payables due to social security and welfare institutions	482.517	313.645
14) other payables		
due within the following year	892.726	864.685
Total other payables	892.726	864.685
Total payables (D)	51.997.518	60.867.123
E) Accrued liabilities and deferred income	262.855	415.545
Total liabilities and shareholders' equity	63.579.656	71.249.842

Income statement (value and cost of production)

	31-12-2021	31-12-2020
Income statement (value and cost of production)		
A) Value of production		
1) Revenues from sales and services	72.775.487	56.023.088
2) Change in work in progress, semi-finished and finished products	1.177.970	858.571
5) Other income and revenues		
other	861.419	970.503
Total Other income and revenues	861.419	970.503
Total value of production	74.814.876	57.852.162
B) Costs of production		
6) Raw, ancillary and consumable materials and goods for resale	48.755.148	35.327.288
7) Services	7.674.416	6.751.510
8) Use of third party assets	381.671	335.467
9) personnel		
a) wages and salaries	5.643.550	5.041.052
b) related salaries	1.656.129	1.522.340
c) severance	460.692	394.892
e) other costs	1.473.484	698.730
Total payroll and related costs	9.233.855	7.657.014
10) depreciation, amortisation and write downs		
a) amortisation of intangible fixed assets	169.992	97.221
b) depreciation of tangible fixed assets	1.705.952	1.806.594
Total Amortisation, depreciation and write-downs	1.875.944	1.903.815
11) Changes in inventories of raw, ancillary and consumable materials and goods for resale	694.894	69.931
14) Other operating expenses	885.056	549.733
Total cost of production	69.500.984	52.594.758
Difference between value and cost of production (A - B)	5.313.892	5.257.404
C) Financial income and charges		
16) other financial income		
d) income other than the above		
other	7.316	114
Total income other than the above	7.316	114
Total other financial income	7.316	114
17) Interest and other financial expense		
other	1.096.086	1.259.166
Total interest and other financial expense	1.096.086	1.259.166
17-bis) Currency gains and losses	44.064	(29.451)
Total financial income and expense (15 + 16 - 17 + - 17-bis)	(1.044.706)	(1.288.503)
Pre-tax result (A - B + - C + - D)	4.269.186	3.968.901
20) Income tax for the year, current, deferred and prepaid		
Current taxes	795.917	895.495
deferred and prepaid tax	24.132	(2.768)
Total taxes on the income for the year	820.049	892.727
21) Profit (loss) for the year	3.449.137	3.076.174



Appendix J - Interoffice Report

To the PriceWaterhouseCharteredAccountants LLP - STL group Audit Team:

As requested in your instructions dated April 15, 2022, we have audited the accompanying Metallurgica Bresciana's Reporting Package expressed in EURO as of March 31, 2022 and for the year then ended. This special purpose financial information has been prepared solely to enable STL Group to prepare consolidated financial statements and not to report on Metallurgica Bresciana SpA as a separate entity. This special purpose financial information is the responsibility of Metallurgica Bresciana's management. Our responsibility is to express an opinion on this special purpose financial information based on our audit.

Scope

Except as explained in the paragraph below, we conducted our audit in accordance with International Standards on Auditing.

As requested in your instructions:

- a) the scope of our audit was restricted by the overall materiality level of Euro 1.730.000 specified in your instructions;
- b) we did not perform any procedures nor make any assessment related to IFRS 16 adjustments;
- c) we did not perform any procedures nor make any assessment on the impairment of goodwill under IAS 36.

Opinion

Because of the restriction described in the 'Scope' paragraph above, the scope of our work was not sufficient to enable us to express, and we do not express, an unrestricted opinion on this special purpose financial information. However, in our opinion, based on our audit performed within the limits of materiality referred to above, the accompanying special purpose financial information as of March 31, 2022 and for the year then ended has been prepared, in all material respects, to give the information required to be shown in accordance with the policies and instructions contained in the Sterlite Technologies Limited's accounting manual prepared in accordance with IFRS.

Emphasis of matter – Basis of preparation

We draw attention to the fact that the accompanying special purpose financial information is not presented in accordance with and does not include all the information required to be disclosed by

PricewaterhouseCoopers SpA

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Corso Palestro 10 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001 - **Vicenza** 36100 Piazza Pontelandolfo 9 Tel. 0444 393311



International Financial Reporting Standards. Accordingly, the accompanying information is not intended to give a true and fair view of the financial position of Metallurgica Bresciana SpA as of March 31, 2022, or the results of its operations or its cash flows for the year then ended in accordance with International Financial Reporting Standards. Our opinion is not modified in respect of this matter.

Restriction of use

This report is intended solely for the use of PriceWaterhouseCharteredAccountants LLP - STL group Audit Team in connection with the audit of the consolidated financial statements of STL Group and should not be used for any other purpose.

Brescia, April 21, 2022

PricewaterhouseCoopers SpA

A handwritten signature in black ink, appearing to read 'Alessandro Mazzetti', is written over the printed name.

Alessandro Mazzetti
(Partner)

STERLITE (SHANGHAI) TRADING COMPANY LIMITED

Period 2021

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上海宏大东亚会计师事务所有限公司
SHANGHAI HDDY CERTIFIED PUBLIC ACCOUNTANTS CO.,LTD.

地址：中国 上海 四川中路681号6楼 邮编：200002 电话：33011277转 传真：63567207

AUDITOR'S REPORT

HUHONGKUAISHIBAOZI (2021) NO.HFD-d0024

STERLITE (SHANGHAI) TRADING COMPANY LIMITED:

1. Our opinion

We have audited the financial statements of STERLITE (SHANGHAI) TRADING COMPANY LIMITED (the "Company"), which comprise the balance sheet as at 31 December 2021, the statement of comprehensive income, statement of changes in owners' equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Company as of December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with Chinese Small Enterprise Accounting Standards and Small Enterprise Accounting Principles.

2. Basis for Opinion

We conducted our audit in accordance with Chinese Standards on Auditing for Certified Public Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with Chinese Code of Professional Conduct and Ethics for Certified Public Accountants and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Other information

Management is responsible for the other information. The other information comprises 2021 Report, but does not include financial statements and our auditors' report.

Our opinion on the financial statements does not cover the other information and 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.

4. Responsibility of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Chinese small Enterprise Accounting Standards and small Enterprise Accounting Principles, and for devising, implementing and maintaining a system of internal controls relevant to the preparation and fair presentation 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.

Management is responsible for overseeing your company's financial reporting process.

5. Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Chinese Certified Public Accountants Standards of Auditing 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 into on the basis of these financial statements.

As part of an audit in accordance with Chinese Certified Public Accountants Standards of Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

(1) 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.

(2) 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.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(5) 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 communicated with management on matters such as the planned audit scope, timing, and major audit findings, including the internal control deficiencies we identified during the audit that deserve



Shanghai H.D. & S. Certified Public
Accountants Co., Ltd

Certified Public Accountant



Certified Public Accountant



Shanghai, China

January 20, 2022

STERLITE (SHANGHAI) TRADING COMPANY LIMITED
Balance Sheet

31-Dec-21

Unit: Yuan

Item	Current year	Prior year	Item	Current year	Prior year
Current assets:			Current liabilities:		
Monetary funds	1,055,794.79	158,798.62	Short-term borrowing		
Temporary Investments			Notes payable	3,104,050.88	55,461.44
Notes Receivable	9,505,656.31	870,231.97	Accounts payable	5,239,625.00	
Accounts receivable	74,934.09	10,078.21	Advances from customers	388,412.00	714,977.00
Advances to suppliers			Accrued Employee compensation	108,038.49	31,134.36
Dividends Receivable			Taxes and charges payable		
Interest Receivable			Accrued interest		
Other receivables	57,165.04	25,406.45	Profit Payable	81,712.36	
Inventory			Other payables		
Among Them: Raw Materials					
Work In Process					
Merchandise Inventory					
Recycle material					
Other Current Assets					
TOTAL CURRENT ASSETS	10,693,550.23	1,064,513.25	TOTAL CURRENT LIABILITIES	8,921,838.73	801,572.80
Non-current assets:			Non-current liabilities:		
Long-term bond investment			Long-term loans		
Long-term equity investment			Long-term payables		
Original cost of capital assets	32,805.55	32,805.55	Deferred income		
Reductions: Accumulated Depreciation	29,076.30	29,076.30	Other non-current liabilities		
Net worth of capital assets	3,729.25	3,729.25	TOTAL NON-CURRENT LIABILITIES	8,921,838.73	801,572.80
Construction in process			TOTAL LIABILITIES		
Engineering materials			Owners' equity (Shareholders' equity):		
Disposal Of Capital Assets			Paid-in capital(Stock)	1,486,672.40	1,486,672.40
The productive biological assets			Capital reserve		
Intangible Assets			Earned surplus	288,768.35	(1,220,000.70)
Development Expenditure			Undistributed profit	1,775,440.75	266,671.70
long-term deferred expenses			TOTAL OWNERS' EQUITY	1,775,440.75	266,671.70
Other Than Assets			TOTAL LIABILITIES AND OWNERS' EQUITY	10,697,279.48	1,068,244.50
TOTAL NON-CURRENT ASSETS	3,729.25	3,729.25			
TOTAL ASSETS	10,697,279.48	1,068,244.50			

STERLITE (SHANGHAI) TRADING COMPANY LIMITED

Statement of Profit

Item	Current year	Prior year	Unit: Yuan
1. Operation revenue	13,760,025.75	4,805,736.06	
Less: Operation cost	7,710,489.08	78,973.44	
Taxes and added-ons	46,503.58	31,073.72	
Among: excise			
business tax			
construction tax			
resource tax			
land value increment tax			
Urban land use tax, property tax, car and ship tax, stamp duty			
Additional education fees, mineral resources compensation fees, and			
pollutant discharge fees			
Selling expenses	410,525.72	-	
Among: Commodity maintenance fee			
Advertising and business publicity fees			
General and administrative expenses	4,132,144.68	4,861,881.19	
Among: organization expenses			
business entertainment			
Research and development expenses			
Financial expenses	5,940.09	4,117.82	
Including: Interest expense ("-" means profit)	(2,008.98)	(211.14)	
Add: Investment income ("-" means loss)			
2. Operation profit Fill in "-" if it's loss	1,454,422.60	(170,310.11)	
Add: Non-operating income	63,311.80	3,253.12	
Among: public subsidy	56,816.58	2,424.80	
Less: Non-operating expense	7,486.35	41,961.56	
Among: loss on bad debt			
Unrecoverable long-term bond investment losses			
Unrecoverable long-term equity investment losses			
Loss caused by force majeure factors such as natural disasters			
Tax late fee			
3. Income before tax ("-" means loss)	1,510,248.05	(209,018.55)	
Less: Income tax	1,479.00	-	
4. Net profit ("-" means net loss)	1,508,769.05	(209,018.55)	

Period: 2021

STERLITE (SHANGHAI) TRADING COMPANY LIMITED
Statement of Cash Flow

Period: 2021

Unit: Yuan

Item	Current year	Prior year
1. Cash Flows from Operating Activities		
Cash received from selling finished goods, goods and providing labor services	10,364,226.41	5,198,756.91
Other cash is received related to business activities	1,244,256.22	1,089,003.40
Cash paid for purchasing raw materials, goods and receiving labor services	4,726,755.52	824,697.57
Cash paid to and on behalf of employees	3,313,354.04	3,781,288.59
Taxes and levies refunded	1,060,940.70	432,598.66
Other cash paid relating to operating activities	1,610,436.20	1,096,879.51
Net cash flows from operating activities	896,996.17	152,295.98
2. Cash Flows from Investing Activities		
Return of cash received from short-term investments, long-term bond investments, and long-term equity investments	-	-
Cash received from investments income	-	-
Net cash flows from disposal of fixed assets, intangible assets and other long-term assets	-	-
Cash paid for short-term investments, long-term bond investments, and long-term equity investments	-	-
Cash paid for the purchase and construction of fixed assets, intangible assets and other non-current assets	-	-
Net cash flows from investing activities	-	-
3. Cash Flows from Financing Activities		
Get the cash received from the loan	-	-
Absorbing the cash received from investor investments	-	-
Cash paid off the principal of the loan	-	-
Pay back the cash paid with the interest on the loan	-	-
Distribution cash paid for the profits	-	-
Net Cash Flows from Financing Activities	-	-
4. Net Increase in Cash and Cash Equivalents	896,996.17	152,295.98
Add: Cash equivalents at the beginning of the period	158,798.62	6,502.64
5. Cash equivalents at the end of the period	1,055,794.79	158,798.62

The footnote of the financial statements

Period:2021

(All the amount is explained by RMB except additional explain.)

1. General

Shanghai Co., Ltd. (hereinafter referred to as the "Company") was established on , 28th.May.2015 with the Business License under Unified Social Credit Code: 91310000329521792Las issued by Market Supervision Administration of Shanghai Municipal. Company type: Limited Liability Company (Sole Foreign Corporation). Legal Representative: ANKIT AGARWAL . The registered capital of the company is RMB 5Million yuan

Business scope of the Company:Engaged in wholesale, import and export, commission agency (excluding auction) of electronic products and parts, optical fiber, metal materials and products (excluding precious metal, steel, alumina), and providing relevant after-sales service, technical consultation and other supporting businesses for commodities not under the administration of state-owned trade and commodities under the administration of quota license, the application shall be handled in accordance with the relevant provisions of the state) (Operation falling into above business scope shall be subject to permits where administrative permission is needed.)

2. The basis for the preparation of financial statements

Based on the actual operation and events, the Company shall, in accordance with the actual accounting and matters arising from the continuing operation, and in accordance with the Accounting Standards for Small Business Enterprises - Basic Standards promulgated by the Ministry of Financeand specific small business accounting standards, the Guidelines for the Application of Accounting Standards for Samll Business Enterprises, the Interpretation of Accounting Standards for Small Business Enterprises and other relevant regulations (Hereinafter collectively referred to as "Accounting Standards for Small Business Enterprises") to confirm and audit.

3. The statement of following corporate accounting standards

The financial statements prepared by the Company are in compliance with the requirements of the Accounting Standards for Small Business Enterprises and reflect the financial status, operating results and cash flow of the Company in a true and complete manner.

4. Significant Accounting Policies And Accounting Estimates**1) Accounting system**

The Company has adopted the Accounting Standards for Small Business Enterprisesand the related supplementary regulations.

2) Accounting year

The Company has adopted the calendar year as its accounting year, i.e. from January 1 to December 31.

3) Recording currency

The recording currency of the Company is the Renminbi.

4) Basis of accounting and principle of measurement

The Company has adopted the accrual basis of accounting and uses the historical cost convention as the principle of measurement. If there is any subsequent impairment loss, provision for decline in value is be made in accordance with appropriate standards.

5) Foreign currency translation

All the accounts related to foreign currency transactions are be translated at the exchange rate ruling on the transaction date at the initial recognition. The balances of all the foreign currency accounts are restated into the reporting currency at the exchange rate at the balance sheet date. The differences between the amounts restated into the reporting currency and the amount recorded in the reporting currency is accounted for as exchange gains or losses of the period except the differences arising from borrowings related to the capitalization is treated according to the Principle of Capitalization of Borrowing Costs.

6) Cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

7) Short-term investment

Short-term investments are initially recorded at actual payments which deduct announced cash dividends or un-drawn maturity bond interests, and add relevant taxes and expenses; the investments acquired by liability-reorganization are recorded at the value of debt receivables; and the investments acquired by non monetary transactions are recorded at the book value of transferred-out assets.

Short-term investments are measured at the lower of cost and market value at the end of a period. Where the market value is lower than the cost, the difference is recognized as a provision for decline in value.

The short-term investment revenue is recognized when the Company sells the investment. The cash dividends and interests received during the held-period are written off the investment costs or relevant receivables.

8) Accounting for bad debts

Criteria for recognition of bad debts:

Bad debts are recognized in the following circumstances: The irrecoverable amount of a bankrupt debtor after pursuing the statutory procedures; the irrecoverable amount of a debtor who has deceased and has insufficient estate to repay; the amount owed by a debtor who is unable to repay the obligations after the debts fall due, and the amount is irrecoverable or unlikely to be recovered as demonstrated by sufficient evidence.

Under the allowance method, the company make an estimate of possible bad debts losses according to aging method and specific identification.

9) Inventories

Inventories mainly include raw materials, packing materials, Low-value consumables, Goods in transit, work-in-process and finished goods, including purchased and self-produced, and materials for outer-process. Inventories are initially recorded at cost. In determining the cost of inventories transferred out or issued for use, the actual costs are determined by the weighted average method. The measurement of same category is consistent and can not be changed optionally.

Inventories acquired by liability-reorganization are recorded at the value of debt receivables, inventories acquired by non monetary truncations are recorded at the book values of transferred out assets.

Low-valued consumables are amortized in full amount. The method of the amortization that the company has confirmed is not changed arbitrarily.

When accruing inventory falling price reserves, it is accrued according to individual inventory items.

Inventory system: using the perpetual inventory system.

10) Fixed assets, depreciation and impairment

Properties held for manufacturing products, providing services, lease and operating with useful life more than one year and unit price over RMB 5,000 or those unit prices are lower than RMB 5,000 whereas the useful lives are more than one year are recorded as fixed assets.

Buildings, Plant and machinery, Electronic equipment, furniture and fixtures, and Transportation equipment.

Fixed assets are recorded at actual cost on acquisition. Fixed assets acquired by liability-reorganization are recorded at the value of debt receivables. Fixed assets acquired by non monetary transactions are recorded at the book value of transferred out assets. Fixed assets acquired by capital lease are recorded at the lower of lease-in property's book value at the lease date or the lease payable. If the percentage of lease-in properties is less than 30% of the Company's total assets, the lease-in properties are recorded at the lease payable.

Depreciation is provided to write off the cost of each category of fixed assets over their estimated useful lives from the month after they are put into use, using the straight-line method.

The capitalized decoration expense of a fixed asset is amortized during the shorter of the period to second decoration and expected useful life of the fixed asset. Improvement expense of an operating lease property is amortized over the shorter of remainder lease term and expected useful life of leased-in property by straight-line method.

The cost of a capital lease property is depreciated during its useful life if reasonable estimation is made that the ownership of the property is transferred to the leaseholder at the expiration of lease term; otherwise, the leased-in property is depreciated over the shorter of lease term and its expected useful life. Decoration expense of capital lease property is depreciated separately over the shortest of period to second decoration, remainder lease term and expected useful life of the property by straight-line method.

Category	Useful life(years)	Residual value	Annual depreciate rate
Electronic equipment	3	10%	30.00%

Researching and developing the equipment which the value is under one million is amortization in full amount at the next month of the acquisition.

At the end of each period, the Company determines whether an impairment loss is to be recognized for a fixed asset by considering the indications that such a loss may have occurred. Where the recoverable amount of any fixed asset is lower than its carrying amount, an impairment loss on fixed asset is recognized for the difference. Impairment of fixed asset is made on an individual item basis.

11) Employee Benefits

Employee payroll refers to various forms of remuneration and other related expenses paid by the Company for obtaining the services provided by employees. Including: Wages, bonuses and allowances; welfare for staff and workers; contributions to social insurance, housing provident fund; funds for trade unions and employees' education; non-monetary benefits; severance package.

During the accounting period in which the employees provide their services, the Company recognizes the employee payroll payable as liabilities. Except for the severance package, they are recorded into the cost of goods and services, construction in progress, research and development expenditures or current profits and losses respectively.

Where the severance package satisfies the conditions for the recognition of the estimated liabilities, the estimated liabilities are recognized and recorded in the current profits and losses.

12) Borrowing costs

Borrowing costs directly attributed to the acquisition, construction or production of qualifying assets, which are assets that necessary take substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Borrowing costs comprise interest incurred on borrowings, amortization of discounts or premiums, ancillary costs incurred in connection with the arrangement of borrowings, and exchange differences arising from foreign currency borrowings. Borrowing costs incurred on a specific borrowing for the acquisition or construction of a fixed asset, are capitalized as the cost of the fixed asset to the extent that they are incurred before the fixed asset has reached the working condition for its intended use and limited to the amount calculated by applying the capitalization rate to the weighted average amount of accumulated expenditure for the fixed asset.

Other borrowing costs are recognized as expenses and included as finance costs in the period in which they are incurred. The borrowing costs are capitalized quarterly. Capitalized amount for each period = accumulated capital expenditures by the end of the period * weight average borrowing rate. The accessorial expenditures and exchange gain or loss are capitalized directly when incurred.

13) Revenue recognition

Revenue from sales of goods:

Revenue is recognized when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods, it retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, the economic benefits associated with the transaction will flow to the Company, and the relevant amount of revenue and costs can be measured reliably.

Revenue from service providing:

Revenue from a contract to provide services is recognized when the Company gains or obtains the rights to gain the economic benefits associated with the services if the provided services start and finish in one year. Otherwise, the revenue is recognized by reference to the stage of completion of the contract, determined as the proportion of the total time expected to complete that has elapsed at the balance sheet date.

Revenue from property use right transfer.

Revenue is recognized on an accrual basis in accordance with the substance of the relevant agreement when the economic benefits associated with the transaction will flow to the Company, and the relevant amount of revenue and costs can be measured reliably.

14) Income tax

Income tax is provided under the tax payable method. The income tax provision is calculated based on the accounting profit for the year as adjusted in accordance with the relevant tax laws.

15) Recognition of the relationship between the related parties

Parties are considered to be related if one party has the ability to control or jointly control the other party, or exercise significant influence over the other party in making financial and operation decisions. If two or more parties are subject to control from the same party, they are also regarded as related parties.

5. Material Change of accounting policy

According to the actual accounting and tax verification of the enterprise, Resolved by the enterprise management the Accounting Standards for Business Enterprises implemented in the previous year of the enterprise is transferred to the Accounting Standards for Small Enterprises for report disclosure.

6. Taxation

The main taxes of the Company and its tax rates are listed below:

- 1) Value added tax ("VAT") According to tax laws, the Company is required to pay VAT at 13%, 6% of the taxable revenue.
- 2) City construction tax According to tax laws, City construction tax rate is 5%.
- 3) Additional tax of education According to tax laws, Additional tax of education rate is 3%.
- 4) Additional tax of local education According to tax laws, Additional tax of local education rate is 2%.
- 5) Corporate income tax rate According to tax laws, Income tax rate is 20%.

7. NOTES TO THE FINANCIAL STATEMENTS

1) Monetary funds		2021.12.31		2020.12.31
Cash		-		-
Cash in bank		1,055,794.79		158,798.62
Other cash equivalency		-		-
Grand total		<u>1,055,794.79</u>		<u>158,798.62</u>
2) Accounts receivable		2021.12.31		2020.12.31
Accounts receivable		9,505,656.31		870,231.97
Bad debt provision		-		-
Net value		<u>9,505,656.31</u>		<u>870,231.97</u>
Aging:		2020.12.31		
		2021.12.31		
	Accounts receivable	%	Bad debt provision	Accounts receivable
				%
In 1 year	9,505,656.31	100.00%	-	870,231.97
Grand total	<u>9,505,656.31</u>	<u>100.00%</u>	<u>-</u>	<u>870,231.97</u>
Main company name:		2021.12.31		Aging
Jiangsu Sdreitong Optical Fiber Co., Ltd		9,505,656.31		In 1 year
3) Other receivables		2021.12.31		2020.12.31
Other receivables		57,165.04		25,406.45
Bad debt provision		-		-
Net value		<u>57,165.04</u>		<u>25,406.45</u>

STERLITE (SHANGHAI) TRADING COMPANY LIMITED

Aging:	2021.12.31			2020.12.31		
	Other receivables	%	Bad debt provision	Other receivables	%	Bad debt provision
In 1 year	57,165.04	100.00%	-	25,406.45	100.00%	-
Grand total	57,165.04	100.00%	-	25,406.45	100.00%	-
Main item				2021.12.31		Aging
Rent deposit				33,000.00		In 1 year
4) Advances to suppliers						
Aging:						
				2021.12.31		2020.12.31
				Advances to suppliers	%	Advances to suppliers
						%
In 1 year				74,934.09	100.00%	10,078.21
Grand total				74,934.09	100.00%	10,078.21
Main item				2021.12.31		Aging
One-time supplier				74,934.09		In 1 year
5) Fixed assets						
				Electronic equipment		Grand total
Original cost						
Opening balance				-		-
Addition				32,805.55		32,805.55
Disposal				-		-
Closing balance				32,805.55		32,805.55
Accumulated depreciation						
Opening balance				-		-
Addition				29,076.30		29,076.30
Disposal				-		-
Closing balance				29,076.30		29,076.30
Net value						
Opening balance				-		-
Closing balance				3,729.25		3,729.25
6) Accounts payable						
				2021.12.31		2020.12.31
Grand total				3,104,050.88		55,461.44
Main company name				2021.12.31		
Sterlite Technologies Limited				3,104,050.88		
7) Advances from customers						
				2021.12.31		2020.12.31
Grand total				5,239,625.00		-
8) Accrued wages and welfare						
				2021.12.31		2020.12.31
Accrued wages				388,412.00		714,977.00
Accrued welfare				-		-
Total				388,412.00		714,977.00
9) Taxes and charges payable						
				2021.12.31		2020.12.31
VAT				12,712.42		28,771.97
Urban maintenance and construction tax				889.87		1,378.06
Education surcharge				381.37		590.60
Local education surcharge				254.25		393.73
Export rebate				93,800.58		-

STERLITE (SHANGHAI) TRADING COMPANY LIMITED

Business income taxes					-	-
Total					108,038.49	31,134.36
10) Other payables						
					2021.12.31	2020.12.31
Grand total					81,712.36	-
Main item					2021.12.31	
Petty cash					81,712.36	
11) Paid-in capital						
					2021.12.31	2020.12.31
	Amount(yuan)	%	Amount(yuan)	%		
STERLITE TECHNOLOGIES LIMITED	1,486,672.40	100.00%	1,486,672.40	100.00%		
Grand total	1,486,672.40	100.00%	1,486,672.40	100.00%		
12) Undistributed profit						
					2021.12.31	2020.12.31
Opening balance of Retained Earnings					(1,220,000.70)	(1,010,982.15)
Net profit for the current year					1,508,769.05	(209,018.55)
Distributable profit					288,768.35	(1,220,000.70)
less: Surplus reserve					-	-
Dividend payable					-	-
Closing balance of Undistributed profit					288,768.35	(1,220,000.70)
13) Operation revenue						
					Current year amt	Prior year amt
Main operation revenue					13,760,025.75	4,805,736.06
Other operation revenue					-	-
Grand total					13,760,025.75	4,805,736.06
14) Operation cost						
					Current year amt	Prior year amt
Main operation cost					7,710,489.08	78,973.44
Other operation cost					-	-
Grand total					7,710,489.08	78,973.44
15) Taxes and added-ons						
					Current year amt	Prior year amt
Grand total					46,503.58	31,073.72
16) Selling expenses						
					Current year amt	Prior year amt
Grand total					410,525.72	-
Mainly are:						
Transportation					407,824.84	-
17) General and administrative expenses						
					Current year amt	Prior year amt
Grand total					4,132,144.68	4,861,881.19
Mainly are:						
The employee wages					2,986,789.04	3,810,405.64
Rent					429,128.05	377,009.86
Transportation expenses in the city					150,101.82	110,206.57
18) Financial expenses						
					Current year amt	Prior year amt
Net interest expense					(2,008.98)	(211.14)
Exchange gain or loss					1.67	4.88
Financial institutions fee					7,947.40	4,324.08

STERLITE (SHANGHAI) TRADING COMPANY LIMITED

	<u>5,940.09</u>	<u>4,117.82</u>
Grand total		
19) Non-operating income		
	Current year amt	Prior year amt
Grand total	<u>63,311.80</u>	<u>3,253.12</u>
20) Non-operating expense		
	Current year amt	Prior year amt
Grand total	<u>7,486.35</u>	<u>41,961.56</u>
8. Reconciliation of Net Profit to Cash Flows from Operating Activities:		
Items	Current year amt	Prior year amt
Net profits	1,508,769.05	(209,018.55)
Add: provisions for assets depreciation of value	-	-
Depreciation of fixed assets	-	675.42
Amortisation of intangible assets	-	-
Amortisation of long-term prepaid expenses	-	-
Losses on disposal of fixed assets, intangible assets and other long-term assets (or deduct: gains)	-	-
Losses on scrapping of fixed assets	-	-
Financial expenses	-	-
Losses on investments (or deduct: gains)	-	-
Deferred tax credits (or deduct: debits)	-	-
Decrease in inventories (or deduct: increase)	-	-
Decrease in operating receivables (or deduct: increase)	(8,732,038.81)	(120,934.25)
Increase in operating payables (or deduct: decrease)	8,120,265.93	481,573.36
Others	-	-
Net cash flows from operating activities	<u>896,996.17</u>	<u>152,295.98</u>

9. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

None

10. Contingent item

None

11. Events occurring after the balance sheet date

None

12. Comparable data

Some comparable data has been reclassified in financial statements of 2021.

10/10/2021



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报告文号：苏公T[2022]E4001号

Jiangsu Sterlite Tongguang Fiber Co., Ltd

Report of the Auditors and Financial Statements

For April 2021 to March 2022



公证天业会计师事务所(特殊普通合伙)南通分所

Nantong Branch, Gongzheng Tianye Certified Public Accountants, SGP

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AUDIT REPORT

SUGONG T(2022) No.E4001

To the shareholders of Jiangsu Sterlite Tongguang Fiber Co., Ltd.

I. Audit opinion

We have audited the financial statements prepared by Jiangsu Sterlite Tongguang Fiber Co., Ltd., comprising the balance sheet as at March 31, 2022, and the income statement, owner's equity changes statement and cash flow statement, from April 1, 2021 to Mar-2022, and Income statement for the period of Jan 1, 2022 to Mar 31, 2022 and notes to the financial statements.

In our opinion, the financial statements of the Company present fairly, in all material respects the financial position of the Company as of March 31, 2022, and its operation results & cash flows for April 1, 2021 to March 31, 2022 in accordance with the Accounting Standards for Enterprise of the People's Republic of China.

II. Basis for audit opinion

We conducted our audit in accordance with Independent Audit Standards promulgated by the Chinese Institute of Certified Public Accountants. In the paragraph "Responsibility of CPA", we shall detailed explain the corresponding responsibilities under the standards. We are independent with the engaged client, and fully abide by professional ethics during our job.

III. Responsibility of company's management

The preparation and fairly disclosure of the financial statements are the responsibility of the company's management. These responsibilities include: preparing & fairly disclosing the financial statements in accordance with Accounting Standard for Business Enterprises of the People's Republic of China;

Designing, implementing & maintaining of the internal control system related with the preparation of the financial statements to avoid any frauds & misstatement.

The management is responsible for the assessing & disclosure of the going –concern issue assumption of the company, unless the liquidation of the company is determined by no other choice.

The government level is responsible for the supervising of the whole reporting process.

IV. Responsibility of CPA

Our target is to express an opinion on the financial statement based on our audit. Those standards require that we plan and perform the audit to ensure there is no misstatement materially affecting the presentation of the net assets, financial position and results of operations in the financial statements in accordance with the applicable financial reporting of framework and are detected with reasonable assurance. But the reasonable assurance is not ensure that all the material misstatements could be fully identified by our audit procedure. If the individual misstatement (maybe from fraud or errors) aggregated materially affect the financial statement or economic decision, then, the misstatement should be identified.

During our audit process, the professional judgment and suspects shall be held. The details can be found as followings:

- (1). Identify & assess the material misstatements which are resulted from fraud & error , design and conduct the corresponding audit procedures to collect complete and appropriate evidence as the opinion basis. Due to the fraud may involve with collaboration , forgery , knowingly omissions , false statement or override of internal control system, the potential risk from fraud is higher than the risk resulted from the errors;
- (2). Understanding the related internal control system and taken into account in the determination of appropriate audit process, but the purpose is not to give the opinion on the effectiveness of the internal control system;
- (3). Assessing the appropriateness of the accounting policy applied by the management and evaluating the rationality of the accounting estimates & disclosure;
- (4). Conclusion of the appropriateness for the going concern assumption provided by the management.

Audit evidence shall be collected for the possible material uncertainty issues or may affect the going-concern conclusion of the company. If the uncertainty conclusion reached, the corresponding disclosure should be brought for the attention to the report users; otherwise, the modified opinion shall be expressed if the disclosure is not sufficient. Our audit conclusion is based on the information collected end at the reporting date, but the future items or events may affect the going concern assumption of the company.

(5). Evaluating the overall presentation of the financial statement, including the structure & contents and the judgment whether the related transactions and business activities are fairly presented.

Communications with governance have been conducted, including the audit scope, time plan, audit findings and the defects & weaknesses of the internal control system identified during our audit.



Nantong Branch, Gongzheng Tianye Certified Public Accountants, SGP

Certified Public Accountant of China CPA Yu Dong



Certified Public Accountant of China CPA Zhang Yulin



China · Nantong

15 April , 2022

BALANCE SHEET

Prepared by: Jiangsu Sterilite Tongguang Fiber Co., Ltd.

Mar. 31, 2022

Monetary Unit: RMB Yuan

ASSETS	REMAINING AT END OF YEAR	REMAINING AT BEG. OF YEAR	LIABILITIES AND OWNER'S EQUITY	REMAINING AT END OF YEAR	REMAINING AT BEG. OF YEAR
ASSETS:			LIABILITIES:		
Monetary funds	3,657,215.76	6,691,331.21	Short-term loans	30,587,025.97	31,173,550.56
Trading financial debt			Trading financial debt		
Notes receivable			Notes payable		1,595,187.14
Accounts receivable	42,947.70	20,220,420.56	Accounts payable	88,833,940.69	85,055,946.40
Accounts prepayments	18,000,891.54	10,314,328.79	Advance receivable	6,109,837.48	2,825.80
Interest receivable			Accrued staff's payroll	277,753.30	352,512.00
Dividends receivable			Taxes and expenses payable	204,324.76	212,428.21
Other receivable		17,530.00	Interest payable		61,817.91
Inventories	26,035,354.43	26,048,518.85	Dividends payable	850,000.00	850,000.00
Un-circulating assets maturing within one year			Amount other accrued payable	14,116,304.85	129,653.50
Other circulating assets	8,328,861.07	8,117,167.99	Un-circulating liabilities due within one year	5,210,739.27	
TOTAL CIRCULATING ASSETS	56,065,270.50	71,409,297.40	Other circulating liabilities		
UN-CIRCULATING ASSETS:			TOTAL CIRCULATING LIABILITIES	146,189,926.32	119,433,921.52
Financial assets of sales supply-able			UN-CIRCULATING LIABILITIES:		
Investment from keeping to maturity			Long-term loans		26,885,816.82
Long-term receivable			Bond payable		
Long-term investment in stock ownership			Long-term payables	2,550,000.00	2,550,000.00
Investment real estate			Related payable		
Fixed assets	317,915,869.12	352,833,925.78	Estimated liabilities		
Construction in progress			Deferred income	5,734,252.44	6,759,522.48
Engineering material			Deferral income-tax debt		
Liquidation of the fixed assets			Other un-circulating liabilities		
Productive living things assets			TOTAL UN-CIRCULATING LIABILITIES	8,284,252.44	36,195,339.30
Oil and gas assets			TOTAL LIABILITIES	154,474,178.76	155,629,260.82
Intangible assets	8,879,611.90	9,416,628.90	OWNER'S EQUITY		
Development expenditure			Paid-in capital	168,436,015.19	168,436,015.19
Business reputation			Capital surplus		
Long-term prepaid expense	24,948.00	41,580.00	Less: Shares in stock		
Assets in deferred-income-tax	4,368,733.69	4,368,733.69	Surplus reserves	27,202,610.23	27,202,610.23
Other Un-circulating assets			Undistributed profit	37,141,629.03	86,802,279.53
TOTAL UN-CIRCULATING ASSETS	331,189,162.71	366,660,868.37	TOTAL OWNER'S EQUITY	232,780,254.45	282,440,904.95
SUM TOTAL ASSETS	387,254,433.21	438,070,165.77	SUM TOTAL LIABILITIES AND OWNER'S EQUITY	387,254,433.21	438,070,165.77

Income Statements

Prepared by: Jiangsu Sterlite Tongguang Fiber Co., Ltd. April 2021 to March 2022

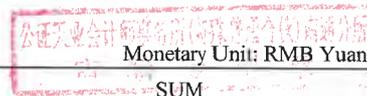

 Monetary Unit: RMB Yuan

ITEM	AMOUNT OF CURRENT YEAR	AMOUNT OF LAST YEAR
I . TOTAL OPERATING INCOME	-	192,094,512.43
Including: Operating income		192,094,512.43
Including: Income from main operation		188,482,437.82
Income from other operation		3,612,074.61
Interest income		
Earned from insurance charge		
Payment for service charge and commission fee		
II . TOTAL OPERATION COST	52,166,136.27	241,399,464.10
Including: Operation cost		228,051,313.70
Including: Cost of main operation		228,051,313.70
Other business payment		
Main operation tax & additional expenses	805,385.46	846,122.87
Sales expense	147,897.52	3,891,919.93
General & administrative expense	51,348,177.68	14,022,233.25
R & D expense account		7,728,419.42
Financial expense	-135,324.39	-5,197,255.57
Losses from depreciation of assets		-7,943,289.50
Add: Other income	1,189,247.48	2,656,535.58
Investment income (deficit, using "-")	96.56	329.80
Gain form fair value charge (deficit, using "-")		
Income from disposal of assets(deficit, using "-")		
Remittance gain and loss (deficit, using "-")		
III. OPERATING PROFITS (deficit, using "-")	-50,976,792.23	-46,648,086.29
Add: Non-operating income	1,468,583.32	1,435,424.65
Less: Non-operating expenditure	152,441.59	352,881.40
Including: Disposal loss from un-circulating assets		
IV. SUM OF PROFIT (deficit, using "-")	-49,660,650.50	-45,565,543.04
Less: Expenses for income tax		
V. NET PROFIT (deficit, using "-")	-49,660,650.50	-45,565,543.04

Cash Flow Sheet

Prepared by: Jiangsu Sterlite Tongguang Fiber Co., Ltd.

April 2021 to March 2022



ITEM	SUM
I. CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from sale of goods or rendering of services	26,047,162.72
Refunds of taxes	-
Other cash received relating to the operating activities	15,696,795.02
Sub-Total Cash Inflows of Operating Activities	41,743,957.74
Cash paid for goods and services	
Cash paid to and on behalf of employees	13,022,134.03
Paid all types of taxes	805,385.40
Other cash paid to relating to operating activities	2,352,740.24
Sub-Total Cash Outflows of Operating Activities	16,180,259.67
Net Cash Flows from Operating Activities	25,563,698.07
II. CASH FLOWS FROM INVESTMENT ACTIVITIES	
Cash received from return of investments	
Cash received from earning of investments	96.56
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	
Net cash received from disposal of sub-company and other operating body	
Other cash received relating to investment activities	
Sub-Total of Cash Inflows of Investing Activities	96.56
Cash paid to acquire fixed assets, intangible assets and other long-term assets	7,363,845.63
Cash paid to investments	
Net cash received from sub-company and other operating body	
Other cash paid relating to investing activities	
Sub-Total of Cash Outflows of Investing Activities	7,363,845.63
Net cash flows from investing activities	-7,363,749.07
III. CASH FLOWS FROM FINANCING ACTIVITIES	
Cash received from the absorption of investments	
Cash received from borrowing	12,123,285.64
Other cash received relating to financing activities	
Sub-Total Cash Inflows of Financing Activities	12,123,285.64
Cash repayments Of amounts borrowed	31,635,400.82
Cash paid for distribution of dividends, profits or interests	1,674,346.40
Other cash paid relating to the financing activities	
Sub-Total Cash Outflows of Financing Activities	33,309,747.22
Net cash flows from financing activities	-21,186,461.58
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	-1,601,446.53
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	-4,587,959.11
Add: Cash & remaining of cash equivalents at beginning of the period	4,588,515.21
VI. CASH & CASH EQUIVALENTS REMAINING AT END OF THE PERIOD	556.10

Owner's Equity Changes Statement

Prepared by: Jiangsu Sterilite Tonjiauang Fiber Co., Ltd.

April 2021 to March 2022

Monetary Unit: RMB Yuan

ITEM	Paid-in capital	Capital surplus	Less: Shares in stock	Surplus reserves	Undistributed profit	AMOUNT
I. REMAINING AT END OF LAST YEAR	168,436,015.19			27,202,610.23	86,802,279.53	282,440,904.95
Add: Changes in accounting policy						
Correct to last period						
II. REMAINING AT BEGINNING OF CURRENT YEAR	168,436,015.19			27,202,610.23	86,802,279.53	282,440,904.95
III. AMOUNT CHANGES OF CURRENT YEAR (decrement, using "-")						
(I). NET INCOME					-49,660,650.50	-49,660,650.50
(II). GAIN AND LOSS OF DIRECTLY INTO OWNERS EQUITY					-49,660,650.50	-49,660,650.50
Fair value charges net amount from the financial assets of sales supply-able						
Amount influence from other owner's equity of the investee under equity method						
Amount of income-tax influence charged into owner's equity						
Others						
(III). INCREASE OR DECREASE CAPITAL BY OWNERS						
Owner's capital						
Amount of shares payment into owner's equity						
Others						
(IV). PROFIT DISTRIBUTION						
Withdrew surplus						
Profit distributed to owners (or stock holder)						
Other						
(V). INTERNAL TRANSFERING OF OWNERS EQUITY						
Capital surplus splitting capital (or capital stock)						
Surplus splitting capital (or capital stock)						
Deficit coverage by surplus						
Other						
IV. REMAINING AT END OF THE CURRENT YEAR	168,436,015.19			27,202,610.23	37,141,629.03	232,780,254.45

Jiangsu Sterlite Tongguang Fiber Co., Ltd.



Notes to the Financial Statements

For April 2021 to March 2022

(All Amounts are in RMB unless otherwise stated)

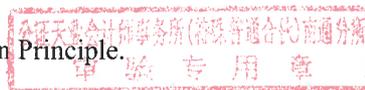
I . GENERAL INFORMATION

Jiangsu Sterlite Tongguang Fiber Co., Ltd. (the “Company” hereafter) is a Joint Venture Company set up by M/s Sterlite Global Ventures (Mauritius) Ltd., a wholly owned subsidiary of M/s Sterlite Technologies Ltd, India and M/s Jiangsu Tongguang Communication Co. Ltd., China according to the approval letter [2011] No 8384 issued by the People’s Government of Jiangsu Province. The Company was registered with Nantong Haimen Administration Bureau of Industry and Commerce on January 19th, 2011 with the business license numbered 320684400011561. On June 27, 2018 it got the business license of a unified social code 91320684567766496K changed and issued by Haimen Administrative Approval Bureau. The Company’s Legal Representative is Mr.Ankit Agarwal. The Company’s approved business scope includes optical fiber technology consulting, development, design, manufacturing of optical fibers and optical fiber related products and sale of self-manufactured products.Optical fiber, optical fiber preform, and fiber optic cable products, wholesale, import and export and commission agency (excluding auction) of optical fiber, optical fiber preform, optical fiber cable and related products. The registered capital of the Company is USD 16.50 Million (i.e. RMB 103.84 million) same as the actual capital. M/s Sterlite Global Ventures (Mauritius) Ltd. has contributed USD 12.375 Million, accounting for 75% of the capital infused till now and M/s Jiangsu Tongguang Communication Co. Ltd has contributed USD 4.125 Million, accounting for 25% of the capital infused till now. On 20th March 2014,Company changed the registered capital as RMB 103,836,015.19 equaled with USD 16.50 Million.

According to the resolution of the board of directors of the company on March 28, 2018, the registered capital of the company is increased by undistributed profits of RMB 64.60 million,of which RMB 48.45 million is invested by Sterlite Global Ventures(Mauritius)Ltd., and RMB 16.15 million is invested by Jiangsu Tongguang Communication Co. Ltd. The registered capital and paid-in capital after that are RMB 168,436,015.19.

II. BASIS OF PREPARATION

The Financial Statement is prepared on the basis of the Going Concern Principle.



III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Accounting System and Accounting Standards Adopted

The financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises and Accounting System for Business Enterprises of the People's Republic of China and other supplementary regulations.

Accounting Year

The Company has adopted the calendar year as its accounting year, i.e. from April 1 to March 31, it is special purpose financial statement prepared for period Apr. to Mar.

Recording Currency

The recording currency of the Company is the Renminbi (RMB).

Basis of Accounting and Principle of Measurement

The Company has adopted the accrual basis of accounting and uses the historical cost convention as the principle of measurement.

Foreign Currency Translation

Transactions denominated in foreign currencies (currencies other than the recording currency) are converted into Renminbi at the applicable rate of exchange ("market exchange rate") prevailing at the first day of the trading month. Monetary assets and liabilities denominated in foreign currencies are converted in to Renminbi at the market exchange rate prevailing at the balance sheet date. Exchange gains or losses are dealt with as finance costs, except for those attributable to foreign currency borrowings that have been used specifically for the construction of fixed assets before the assets are ready for their intended use, which are capitalized as part of the fixed asset costs.

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Accounts receivable and bad debt reserves

The provision method of bad debts:

The company's bad debt losses is using allowance method of accounting. When bad debt losses are occurred, the corresponding provision for bad debts is written off with approval of Board and relevant management authorities.

The provision for bad debts method and ratio:

The provision for bad debts is made based on a combination of specific identification of assessments of probability and extent of loss referring to special accounts receivable, and the company should make provision of bad debts respectively. Specific accrual ratios are as follows:

<u>Term overdue</u>	<u>Proportion of bad debt preparation for accounts receivable (%)</u>	<u>Proportion of bad debt preparation for other receivable (%)</u>
Within 1 year	-	-
1-2years	10	10
2-3years	20	20
3-5years	50	50
More than 5 years	100	100

Inventories

(1) Inventory category: inventories include raw materials, inventory of goods, work in progress, finished goods and so on. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

(2) The valuation method of acquisition and use: inventories are recorded by using the standard costing method when acquiring inventories. The cost of products includes standard costing and the differences between the standard costing and actual cost.

(3) The inventory system: the company is using the perpetual inventory system.

(4) Provisions for deduction of the inventories value and methods: the inventory is valued at the lower of its cost or its net realizable value. The inventory cost is higher than its net realizable value and provision for decline in value of inventory is credited to current profit and loss.

(5) Work-in-progress and finished goods are valued at lower of cost and net realizable value. cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

(6) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Fixed Assets and Depreciation

(1) Criteria of fixed assets

Fixed assets are the tangible assets in higher unit value. They are defined as the production of goods, the provision of services and the lease or management used for more than one year.

(2) Measurement of fixed assets

Fixed assets are recorded at cost on acquisition. The acquisition cost includes purchase price, import taxes, transportation costs, insurance costs and other related costs that are necessary for the fixed assets being ready for their intended use.

(3) Depreciation of fixed assets

Depreciation is provided to write off the cost of each category of fixed assets over their estimated useful lives from the month after they are put into use, using the straight-line method. The estimated residual value, useful life and annual depreciation rate of each category of fixed assets are as follows:

<u>Category of fixed assets</u>	<u>Residual value</u>	<u>Useful life</u>	<u>Annual depreciation rate</u>
Electronic Equipment	10%	5 years	18%
Houses and buildings	10%	20years	4.5%
Machinery	10%	10-15years	9%-6%
Office furniture	10%	5 years	18%
tool of production	10%	5 years	18%

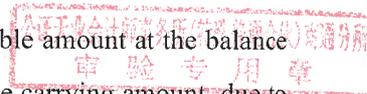
(4) Measurement of subsequent expenditures on fixed assets

Subsequent expenditures on fixed assets for major reconstruction, expansion, improvement and renovation are capitalized as a part of fixed assets cost when it is probable that future economic benefits in excess of the original assessment of performance will flow to the Company, such as extension of the useful lives of the fixed assets, substantial improvement of product quality, or substantial reduction in product cost. Capitalized expenditures arising from major reconstruction, expansion and improvement are depreciated using the straight-line method over the remaining useful lives of the fixed assets. The increased cost of the fixed assets is limited to their recoverable amount.

Subsequent expenditures on fixed assets except for the aforementioned are expensed as incurred. Capitalized expenditures arising from the renovation of fixed assets are depreciated on a reasonable basis over the shorter period of interval between the current renovation to the next and the expected remaining useful life of the renovated fixed assets.

(5) Measurement of fixed assets at the balance sheet date and impairment provision

Fixed assets are measured at the lower of carrying amount and recoverable amount at the balance sheet date. When the recoverable amount of fixed assets is lower than the carrying amount, due to factors such as continuous decline in market price, technological obsolescence, damages or long-time idleness, impairment provision for fixed assets is determined on an item-by-item basis at the excessive part of the carrying amount over the recoverable amount. For fixed assets that meet the conditions for full impairment provision, the impairment provision is determined at the full carrying amount of fixed assets on an item-by-item basis.



Construction in progress

(1) Construction in progress is measured at actual cost. The actual cost is determined specifically as follows:

A. Contracted projects under construction are recorded at the sum of construction price, installation cost, and capitalized interest expense, amortization of premium or discount, and foreign currency exchange differences that are relating to specific borrowings for financing the construction.

B. Self-built projects under construction are recorded at the sum of construction materials used, raw materials used and related non-deductible input value-added taxes, goods in stock used and related taxes and levies, cost of various services provided by the Company's auxiliary production departments, and capitalized interest expense, amortization of premium or discount, and foreign currency exchange differences that are relating to specific borrowings for financing the construction.

(2) Construction in progress is measured at the lower of the carrying amount and the recoverable amount. Impairment provision is made for construction in progress if there exists evidence that the value of construction in progress has declined.

Borrowing costs

(1) Recognition of borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized. The other costs are charged to the Profit & Loss Account. Borrowing costs include interests, ancillary costs, and foreign currency exchange differences incurred in connection with borrowing. Except borrowing costs relating to specific borrowings obtained for the acquisition or construction of fixed assets are capitalized as costs of the fixed assets as certain conditions are met, other borrowing costs are expensed as incurred.

(2) Capitalization period of borrowing costs

A. The capitalization of borrowing costs commences as the following three conditions are met: (a) the capital expenditures are incurred; (b) the borrowing costs are incurred; (c) the acquisition or construction activities have commenced to enable the assets to be ready for their intended use.

B. The capitalization of borrowing costs should be suspended during the periods when the acquisition or construction activities are abnormally interrupted and the interruption period is more than three consecutive months; the borrowing costs are incurred during the period until the acquisition or construction activities are resumed.

C. The capitalization of borrowing costs ceases when the assets being acquired or constructed are ready for their intended use. Borrowing costs incurred thereafter should be recognized as expense in the period in which they are incurred.

(3) Capitalization amount of borrowing costs

The capitalized borrowing costs for each accounting period are determined by using the weighted average amount of accumulated expenditures incurred in that period for the acquisition or construction of fixed assets and the capitalization rate of the borrowings. The procedures are in accordance with the Accounting Standards for Business Enterprises—Borrowing Costs.

Government grants

(1) Types of government grants

Government grants are transfers of monetary assets or non-monetary assets from the government to the company at no consideration except for the capital contribution from the government as an investor in the company. Government grants are divided into asset related government grants and income related Government grants according to the nature of the subsidy objects specified in the relevant government documents.

If the government document does not clearly specify the subsidy object, the company classifies the government subsidy as asset related or income related based on whether it is used for acquisition and construction or forms long-term assets in other ways.

(2) Recognition of Government grants

A government grant is recognized when there is reasonable assurance that the grant will be received and that the company will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount that is received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at its fair value.

(3) Accounting treatment of Government grants

A government grant related to an asset is recognized initially as deferred income and amortized to



profit or loss in the same period according to a reasonable, systematic approach by instalments over the useful life of the asset. A government grant related to income that compensates the Company for expenses or losses to be incurred in the subsequent periods is recognized initially as deferred income and recognized in profit or loss in the same period in which the cost expenses or losses are recognized. A government grant that compensates the Company for cost expenses or losses incurred is recognized in profit or loss immediately.

A government related to the company's daily activities is recognized in other income according to the essence of economic business. A government irrelevant to the company's daily activities is recognized in non operating income and expenditure.

Enterprise and local income taxes

The Company uses the taxes payable method to account for the enterprise and local income taxes.

IV. THE ACCOMPANYING NOTES ARE PART OF THE FINANCIAL STATEMENTS

1) MONETARY FUNDS

ITEMS	31/03/2022	01/04/2021
	RMB	RMB
Cash at Hand	556.10	108.00
Cash on Bank	3,656,518.47	5,095,895.18
Others	141.19	1,595,328.03
Total	3,657,215.76	6,691,331.21

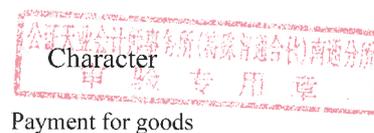
Due to litigation matters, the court frozen the bank deposit of the company of US \$90,000.00 (equivalent to RMB 571,338.00) from October 12, 2021 to October 12, 2022. The remaining RMB 3,085,180.47 was frozen by the bank due to the expiration of the business license.

2) ACCOUNTS RECEIVABLE

ITEMS	31/03/2022			01/04/2021		
	<u>Amount</u>	<u>Proportion</u>	<u>Bad Debt Provision</u>	<u>Amount</u>	<u>Proportion</u>	<u>Bad Debt Provision</u>
	RMB	%	RMB	RMB	%	RMB
Within 1 year	-	-	-	20,220,420.56	100.00	-
1-2years	42,947.70	100.00	-	-	-	-
Total	42,947.70	100.00	-	20,220,420.56	100.00	-

Major items of accounts receivable:

Customer names	Ending balance
HELLENIC CABLES S.A.	30,818.96



Payment for goods

3) ACCOUNTS PREPAYMENTS

ITEMS	31/03/2022			01/04/2021		
	<u>Amount</u>	<u>Proportion</u>	<u>Bad Debt Provision</u>	<u>Amount</u>	<u>Proportion</u>	<u>Bad Debt Provision</u>
	RMB	%	RMB	RMB	%	RMB
Within 1 year	8,517,362.36	47.32	-	9,438,270.37	91.51	-
1-2years	9,483,529.18	52.68	-	876,058.42	8.49	-
Total	18,000,891.54	100.00	-	10,314,328.79	100.00	-

Within the aforesaid balance, there is no amount due from shareholders that hold 5% or more of the Company's voting shares.

4) OTHER RECEIVABLES

ITEMS	31/03/2022			01/04/2021		
	<u>Amount</u>	<u>Proportion</u>	<u>Bad Debt Provision</u>	<u>Amount</u>	<u>Proportion</u>	<u>Bad Debt Provision</u>
	RMB	%	RMB	RMB	%	RMB
Within1year	-	-	-	-	-	-
1-2years	-	-	-	17,530.00	100.00	-
Total	-	-	-	17,530.00	100.00	-

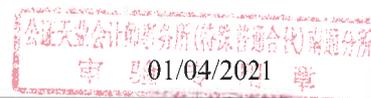
Within the aforesaid balance, there is no amount due from shareholders that hold 5% or more of the Company's voting shares.

5) INVENTORIES

ITEMS	31/03/2022	01/04/2021
	RMB	RMB
Raw materials	23,786,744.93	23,799,909.35
waste	271,526.15	271,526.15
Goods in Process	1,098,596.22	1,098,596.22
Finished Goods	2,548,180.88	2,548,180.88
Packing	26,415.41	26,415.41
Provision for Inventory	-1,696,109.16	-1,696,109.16
Total	26,035,354.43	26,048,518.85

6) OTHER CIRCULATING ASSETS

ITEMS	31/03/2022	
	RMB	RMB
VAT is retained as input tax	8,305,263.84	8,036,018.76
Prepaid expenses	23,597.23	81,149.23
Total	8,328,861.07	8,117,167.99



7) FIXED ASSETS

ITEMS	Houses and buildings	Machinery	Electronic Equipment	Office furniture	tool of production	Total
	RMB	RMB	RMB	RMB	RMB	RMB
Cost						
1st April 2021	<u>75,271,506.83</u>	<u>378,553,463.07</u>	<u>1,907,809.41</u>	<u>725,301.02</u>	<u>2,559,626.94</u>	<u>459,017,707.27</u>
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
31st March 2022	<u>75,271,506.83</u>	<u>378,553,463.07</u>	<u>1,907,809.41</u>	<u>725,301.02</u>	<u>2,559,626.94</u>	<u>459,017,707.27</u>
Accumulated Depreciation						
1st April 2021	<u>15,088,239.43</u>	<u>88,055,551.79</u>	<u>1,159,090.90</u>	<u>438,663.11</u>	<u>1,442,236.26</u>	<u>106,183,781.49</u>
Add	3,962,720.94	30,196,925.14	264,641.78	89,407.44	404,361.36	34,918,056.66
Less	-	-	-	-	-	-
31st March 2022	<u>19,050,960.37</u>	<u>118,252,476.93</u>	<u>1,423,732.68</u>	<u>528,070.55</u>	<u>1,846,597.62</u>	<u>141,101,838.15</u>
Net book value						
1st April 2021	<u>60,183,267.40</u>	<u>290,497,911.28</u>	<u>748,718.51</u>	<u>286,637.91</u>	<u>1,117,390.68</u>	<u>352,833,925.78</u>
31st March 2022	<u>56,220,546.46</u>	<u>260,300,986.14</u>	<u>484,076.73</u>	<u>197,230.47</u>	<u>713,029.32</u>	<u>317,915,869.12</u>

8) INTANGIBLE ASSETS

Items	01/04/2021	Additions	Amortization	31/03/2022
	RMB	RMB	RMB	RMB
Land-use right	8,750,824.50	-	233,150.01	8,517,674.49
Software	665,804.40	-	303,866.99	361,937.41
Total	9,416,628.90	-	537,017.00	8,879,611.90

9) LONG-TERM PREPAID EXPENSE

ITEMS	31/03/2022		01/04/2021	
	RMB		RMB	
Long-term prepaid expense	24,948.00		41,580.00	
Total	24,948.00		41,580.00	



10) ASSETS IN DEFERRED-INCOME-TAX

(1) deferred tax assets have been recognized	31/03/2022		01/04/2021	
	RMB		RMB	
Recoverable loss	4,368,733.69		4,368,733.69	
Total	4,368,733.69		4,368,733.69	

(2) deductible temporary difference	31/03/2022		01/04/2021	
	RMB		RMB	
Recoverable loss	29,124,891.28		29,124,891.28	
Total	29,124,891.28		29,124,891.28	

11) SHORT-TERM BORROWINGS

ITEMS	31/03/2022		01/04/2021	
	RMB		RMB	
CTBC Bank	30,587,025.97		31,173,550.56	
Total	30,587,025.97		31,173,550.56	

12) NOTES PAYABLE

ITEMS	31/03/2022		01/04/2021	
	RMB		RMB	
Bank Acceptance Bill	30,587,025.97		31,173,550.56	
Total	30,587,025.97		31,173,550.56	

13) ACCOUNTS PAYABLE

ITEMS	31/03/2022		01/04/2021	
	<u>Amount</u>	<u>Proportion</u>	<u>Amount</u>	<u>Proportion</u>
	RMB	%	RMB	%
Within 1 year	5,027,138.27	5.66	69,130,669.07	81.28

31/03/2022



ITEMS	31/03/2022		01/04/2021	
	<u>Amount</u>	<u>Proportion</u>	<u>Amount</u>	<u>Proportion</u>
	RMB	%	RMB	%
More than 1 year	83806802.42	94.34	15,925,277.33	18.72
Total	88,833,940.69	100.00	85,055,946.40	100.00

Major items of accounts payable:

Customer names	Ending balance
STERLITE TECHNOLOGIES LIM	57,317,255.23
STERLITETECHNOLOGIES LTD	16,560,396.99
THE IT ELECTRONIC ELEVENT	9,984,296.87
PHICHEM	2,800,670.52
DANYANG JINYANG HENGGUANG	1,203,226.71

14) RECEIVED IN ADVANCE

ITEMS	31/03/2022		01/04/2021	
	<u>Amount</u>	<u>Proportion</u>	<u>Amount</u>	<u>Proportion</u>
	RMB	%	RMB	%
Within 1 year	6,109,837.48	100.00	2,825.80	100.00
Total	6,109,837.48	100.00	2,825.80	100.00

15) ACCRUED STAFF'S PAYROLL

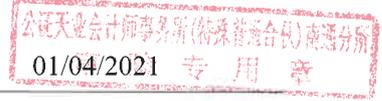
ITEMS	31/03/2022	01/04/2021
	RMB	RMB
Wages	277,753.30	352,512.00
Total	277,753.30	352,512.00

16) TAXES AND EXPENSES PAYABLE

ITEMS	31/03/2022	01/04/2021
	RMB	RMB
Individual income tax	2,978.35	11,081.86
Land use tax	49,347.50	49,347.50
Property tax	151,998.91	151,998.85
Stamp tax	-	-
Total	204,324.76	212,428.21

17) INTEREST PAYABLE

ITEMS	31/03/2022	01/04/2021
	RMB	RMB
Loan interest	-	61,817.91
Total	-	61,817.91

**18) DIVIDENDS PAYABLE**

ITEMS	31/03/2022	01/04/2021
	RMB	RMB
Tongguang Communication	850,000.00	850,000.00
Total	850,000.00	850,000.00

19) AMOUNT OTHER ACCRUED PAYABLE

ITEMS	31/03/2022		01/04/2021	
	<u>Amount</u>	<u>Proportion</u>	<u>Amount</u>	<u>Proportion</u>
	RMB	%	RMB	%
Within 1 year	14,116,304.85	100.00	129,653.50	100.00
Total	14,116,304.85	100.00	129,653.50	100.00

Within the aforesaid balance, there is no amount due from shareholders that hold 5% or more of the Company's voting shares.

20) UN-CIRCULATING LIABILITIES DUE WITHIN ONE YEAR

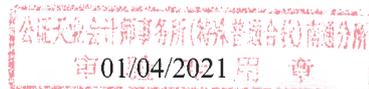
ITEMS	31/03/2022	01/04/2021
	RMB	RMB
ICICI Bank Ltd., Shanghai Branch	5,199,175.81	-
Accrued interest	11,563.46	-
Total	5,210,739.27	-

21) LONG-TERM LOANS

ITEMS	31/03/2022	01/04/2021
	RMB	RMB
ICICI Bank Ltd., Shanghai Branch	-	26,885,816.82
Total	-	26,885,816.82

22) LONG-TERM PAYABLES

ITEMS	31/03/2022	
	RMB	RMB
Withholding shareholders' income tax	2,550,000.00	2,550,000.00
Total	2,550,000.00	2,550,000.00



23) DEFERRED INCOME

ITEMS	31/03/2022	01/04/2021
	RMB	RMB
Government grants	5,734,252.44	6,759,522.48
Total	5,734,252.44	6,759,522.48

24) PAID-IN CAPITAL

Name of owners	01/04/2021		Add RMB	Less RMB	31/03/2022	
	In recording currency RMB	%			In recording currency RMB	%
Jiangsu Tongguang Communication Co. Ltd.	42,110,410.05	25.00	-	-	42,110,410.05	25.00
Sterlite Global Ventures (Mauritius) Ltd.	126,325,605.14	75.00	-	-	126,325,605.14	75.00
Total	168,436,015.19	100.00	≡	≡	168,436,015.19	100.00

25) SURPLUS RESERVES

Items	01/04/2021	Add	Less	31/03/2022
	RMB	RMB	RMB	RMB
Legal surplus	27,202,610.23	-	-	27,202,610.23
Total	27,202,610.23	-	-	27,202,610.23

26) UNDISTRIBUTED PROFIT

Items	01/04/2021	Add	Less	31/03/2022
	RMB	RMB	RMB	RMB
Undistributed profit	86,802,279.53	-	49,660,650.50	37,141,629.03
Total	86,802,279.53	-	49,660,650.50	37,141,629.03

27) OPERATING INCOME

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Optical sales	-	188,482,437.82
Other business income	-	3,612,074.61
Total	-	192,094,512.43



28) OPERATION COST

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Optical cost	-	228,051,313.70
Total	-	228,051,313.70

29) MAIN OPERATION TAX & ADDITIONAL EXPENSES

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Property tax	607,995.46	607,277.27
Land use tax	197,390.00	197,390.00
stamp duty	-	41,455.60
Total	805,385.46	846,122.87

30) SELLING EXPENSES

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Transportation costs	-	361,551.43
Export charges	147,897.52	579,481.81
Samples	-	44,472.51
Sales commission	-	2,835,110.68
Export freight	-	46,698.53
Other	-	24,604.97
Total	147,897.52	3,891,919.93

31) GENERAL & ADMINISTRATIVE EXPENSES

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Total	51,348,177.68	14,022,233.25
Main: stop work loss	34,422,259.35	-
Wage	9,758,945.00	3,969,140.51
Welfare	356,801.45	1,110,729.20
Social security costs	2,048,096.95	544,757.70
Local Transportation	264,839.40	285,188.00

32) R & D EXPENSE ACCOUNT

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Total	-	7,728,419.42
Main: Wages and surcharges	-	1,547,281.60
depreciation charge	-	1,371,778.79
electric charge	-	1,158,094.68

33) FINANCIAL EXPENSE

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Interest income	-4,910.42	-31,212.65
Exchange gain or loss	-2,510,588.74	-7,941,961.96
Service charge	709,883.94	104,984.78
Interest expenditure	1,670,290.83	2,565,977.64
Discount interest	-	104,956.62
Total	-135,324.39	-5,197,255.57

34) LOSSES FROM DEPRECIATION OF ASSETS

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Loss of inventory valuation	-	-7,943,289.50
Total	-	-7,943,289.50

35) OTHER INCOME

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Subsidy income	1,189,247.48	2,656,535.58
Total	1,189,247.48	2,656,535.58

36) INVESTMENT INCOME

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Financial income	96.56	329.80
Total	96.56	329.80

37) NON-OPERATING INCOME

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Subsidy income	-	-
Compensation income	1,415,789.10	47,356.38
Other income	52,794.22	1,388,068.27
Total	1,468,583.32	1,435,424.65

38) NON-OPERATING EXPENDITURE

<u>Items</u>	April 2021 to March 2022	April 2020 to March 2021
	RMB	RMB
Damages for breach of contract and quality compensation	147,887.59	148,756.20
Disabled employment security fund	-	50,220.00
Administrative penalty	-	50,000.00
Other expenditure	4,554.00	103,905.20
Total	152,441.59	352,881.40

V. RELATED PARTIES

1. Related party relationship where control exists

Name	Registered address	Relationship with the Company
Sterlite Global Ventures (Mauritius) Ltd.	Mauritius	Investor

Name	Registered address	Relationship with the Company
Sterlite Technologies Limited(STL)	India	Ultimate holder
Jiangsu Tongguang Communication Co.,Ltd.	China	Investor
Sterlite(Shanghai)Trade Co.,Ltd.	China	Under the same control
Metallurgica Bresciana S.p.A	Italy	Under the same control
Sterlite Condu spar Industrial Limited	Brazil	Under the same control

2. Equity of the related parties with effective control attributable to the Company and changes goes to Note IV.26)

3. Relative party transaction

3.1 Relative party procurement:

Enterprise name	Transaction type	April 2021 to March 2022	April 2020 to March 2021
Sterlite Technologies Limited(STL)	Purchase goods	-	55,816,419.63
Sterlite (Shanghai) Trading Co.,Ltd	Accept service	-	2,751,411.68

3.2 Relative party sales:

Enterprise name	Transaction type	April 2021 to March 2022	April 2020 to March 2021
Jiangsu Tongguang Communication Co. Ltd	Sale of goods	-	9,164,734.95
Sterlite (Shanghai) Trading Co.,Ltd	Sale of goods	-	61,847.79
Sterlite Technologies Limited(STL)	Sale of goods	-	69,794,933.16
Metallurgica Bresciana S.p.A	Sale of goods	-	27,417,622.27
Sterlite Condu spar Industrial Limited	Sale of goods	-	10,944,680.46

3.3 Transaction balance of related parties:

Name of related party	31/03/2022		01/04/2021	
	<u>Amount</u>	<u>Proportion</u>	<u>Amount</u>	<u>Proportion</u>
	RMB	%	RMB	%
ACCOUNTS RECEIVABLE:				
Sterlite Condu spar Industrial Limited	-	-	2,383,344.40	11.79
Sterlite Technologies Limited(STL)	-	-	7,165,801.11	35.44
Jiangsu Tongguang Communication Co. Ltd	4,588.15	10.68	4,588.15	0.02
RECEIVED IN ADVANCE:				
Sterlite Technologies Limited(STL)	6,102,409.62	99.88	-	-
Sterlite Condu spar Industrial Limit	4,602.06	0.08	-	-

ACCOUNTS PAYABLE:

Sterlite Technologies Limited(STL)	57,712,551.30	64.97	56,237,036.97	66.12
Sterlite (Shanghai) Trading Co.,Ltd	-	-	840,356.45	0.99

AMOUNT OTHER ACCRUED**PAYABLE:**

Sterlite (Shanghai) Trading Co.,Ltd	14,041,414.57	93.82	-	-
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VI. CONTINGENCIES

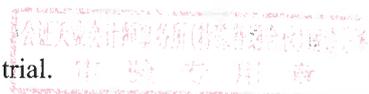
Litigation pending over supply agreement dispute:

(1) The Company filed a lawsuit with the court on the sales contract dispute with Jiangsu Tongguang Information Co., Ltd. claiming compensation for breach of contract on August 6, 2020. In the course of the lawsuit, Jiangsu Tongguang Information Co., Ltd. filed a counterclaim against the Company on October 14, 2020, requiring the Company to pay a penalty of RMB 1,862,591.00, a late payment interest of RMB 245,380.93 and a lawyer's fee of RMB 70,000.00. As of the date of this note, the Court has not rendered any judgement in this case.

(2) On November 29, 2021, Linde electronic special gas (Suzhou) Co., Ltd. ("Linde company") filed a lawsuit to the court, claiming that the company had violated the two gas supply contracts signed between the two parties, and filed the following claims: 1) requesting confirmation that the two gas supply contracts were terminated on November 9, 2021; 2) Request the court to order the company to pay the rent of 72,715.50 yuan for the gas supply unit from February 2021 to October 2021 to Linde company; 3) Request the court to order the company to pay the occupation fee of gas supply unit to Linde company (from November 2021 to the date of return of the unit), which is calculated according to the monthly rent of 8,079.50 yuan; 4) Request the court to order the company to return the gas supply device to Linde company and bear the cost of dismantling and transporting the equipment of 135,600.00 yuan; 5) Request the court to order the company to pay 111,151.92 yuan to Linde company for the goods that the company fails to meet the minimum promised consumption of customers in 2020; 6) Request the court to order the company to pay liquidated damages totaling 4,042,640.00 yuan to Linde company due to early termination of the contract due to breach of contract; 7) Request the court to order the company to bear the lawyer's fee of 30,000.00 yuan paid by Linde company; 8) Request the court to order the company to bear all litigation costs of the case.

The court accepted the case on December 3, 2021 and arranged for both parties to hold a hearing

on April 27, 2022. As of the date of this note, the case is still under trial.



(3) On November 5, 2021, bio West gas (Suzhou) Co., Ltd. ("bio West") submitted an application for arbitration to Shanghai Branch of China International Economic and Trade Arbitration Commission, filed an arbitration against the company, claiming that the company had violated the two gas supply contracts signed between the two parties, And put forward the following requests: 1) request to confirm that the two gas supply contracts will be terminated on August 19, 2021; 2) Please make a ruling that the company will pay the rent of 251,519.92 yuan for the gas supply unit from February 2021 to September 2021 to biowest; 3) Request a ruling that the company pay the occupation fee of the gas supply unit to biowest company (from October 2021 to the date of return of the unit), which is calculated according to the monthly rent of 27,823.00 yuan; 4) Request a ruling that the company pay the minimum amount of commitment 3,878,722.66 yuan to bio West; 5) Request a ruling that the company return the gas supply unit to beoxi and bear the cost of dismantling and transporting the equipment of 135,600.00 yuan; 6) Request for ruling that the company will pay a total of 6,536,761.10 yuan as liquidated damages for the early termination of the contract due to breach of contract (including 4,302,903.65 yuan for products in the remaining supply period and 2,233,857.45 yuan for products and facilities in the remaining supply period); 7) Request a ruling that the company shall bear the lawyer's fee of 30,000.00 yuan paid by biowest; 8) Request an award that the company bear all the arbitration costs of the case.

The Shanghai Branch of China International Economic and Trade Arbitration Commission accepted the case on December 16, 2021. As of the date of this note, the case has not yet formed an arbitration tribunal and is still in the process of trial.

VII. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

As at the approval date of the issue of the financial statements, the Company has no significant events occurring after the balance sheet date that need to be disclosed.

VIII. OTHER IMPORTANT MATTERS

1. After the expiration of the company's business license on January 17, 2021, in order to comply with Chinese laws, the board of directors of the company decided on January 29, 2021 to establish a liquidation group to consider dissolution of the company. The filing of the formation of the

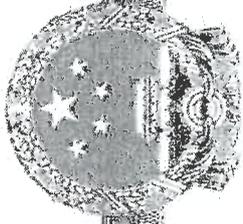
liquidation committee along with the member names was provided to Haimen district market supervision and Administration Bureau of Nantong City on February 7, 2021. The controlling shareholder of the company plans to acquire the balance 25% equity of minority shareholders. As some of the terms of the equity purchase price has not been finalized, by April 15 2022, the company has suspended production and operation activities, but the employees are still in the state of renewal. After the equity acquisition agreement is signed, the company will resume normal production and operation activities.



2. According to Jiangsu Province Nantong Intermediate People's Court (2020) Su06, No. 803, Notice for Assistance in Execution, the Company is assisted in execution, suspending the payment to Sterlite Technologies Limited (STL) of no more than RMB 50,000,000.00, with the period of three years, from December 11, 2020 to December 10, 2023 solstice.

Jiangsu Sterlite Tongguang Fiber Co., Ltd
April 15, 2022

* * * THE END * * *



营业执照

(副本)

编号 320602666201907050141

统一社会信用代码

913206020850023627 (1/1)



扫描二维码登录“国家企业信用信息公示系统”了解更多登记、备案、许可、监管信息。

名称 公证天业会计师事务所(特殊普通合伙)南通分所

类型 特殊普通合伙企业分支机构

负责人 郁东

经营范围

审查企业会计报表，出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关的报告；基本建设年度财务决算审计；会计咨询、税务咨询、管理咨询、法律、法规规定的其他经营活动。(依法须经批准的项目，经相关部门批准后方可开展经营活动)

成立日期 2013年11月13日

营业期限 2013年11月13日至*****

经营场所 南通市崇川区星城路299号南通创新源科技园2号楼701、706室



登记机关

2019年07月05日



姓名 郁东
Full name
性别 男
Sex
出生日期 1971-04-19
Date of birth
工作单位 南通正华联合会计师事务所
Working unit
身份证号码 320105710419143
Identity card No.

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from



南通正华 事务所
CPAs
转出协会盖章
Stamp of the transfer-out Institute of CPAs
2013年08月12日

证书编号: 320600060006
No. of Certificate

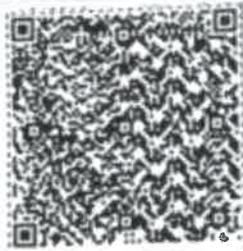
批准注册协会: 江苏省注册会计师协会
Authorized Institute of CPAs

发证日期: 2007年7月7日
Date of Issuance

江苏省注册会计师协会
2007年6月30日

同意调入
Agree the holder to be transferred to

南通正华 事务所
CPAs
转入协会盖章
Stamp of the transfer-in Institute of CPAs
2013年08月12日



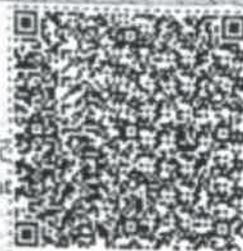
郁东(320600060006)
您已通过2021年年检
江苏省注册会计师协会



郁东(320600060006)
您已通过2018年年检
江苏省注册会计师协会



郁东(320600060006)
您已通过2020年年检
江苏省注册会计师协会



郁东(320600060006)
您已通过2019年年检
江苏省注册会计师协会



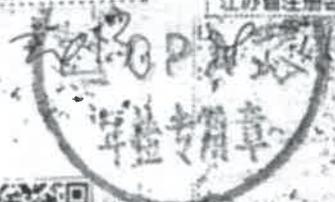
郁东(320600060006)
您已通过2015年年检
江苏省注册会计师协会



郁东(320600060006)
您已通过2016年年检
江苏省注册会计师协会



郁东(320600060006)
您已通过2017年年检
江苏省注册会计师协会





姓名 Full name 张玉林
 性别 Sex 男
 出生日期 Date of birth 1972-11-25
 工作单位 Working unit 南通正华联合会计师事务所
 身份证号码 Identity card No. 320625197211250293



张玉林(320600310002)
 您已通过2021年年检
 江苏省注册会计师协会

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张玉林(320600310002)
 您已通过2015年年检
 江苏省注册会计师协会



张玉林(320600310002)
 您已通过2018年年检
 江苏省注册会计师协会



证书编号: 320600310002
 No. of Certificate

批准注册协会: 江苏省注册会计师协会
 Authorized Institute of CPAs

发证日期: 〇九 年 月 日
 Date of Issuance 〇九 年 四 月 二 十 七 日

注册会计师工作单位变更事项登记
 Registration of the Change of Working Unit by a CPA

同意调出
 Agree the holder to be transferred from

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转出协会盖章
 Stamp of the transfer-out Institute of CPAs
 2013年 01 月 22 日

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江苏众信永 事务所
 CPAs
 南通分所
 转入协会盖章
 Stamp of the transfer-in Institute of CPAs
 2013年 01 月 22 日



张玉林(320600310002)
 您已通过2020年年检
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张玉林(320600310002)
 您已通过2019年年检
 江苏省注册会计师协会



张玉林(320600310002)
 您已通过2017年年检
 江苏省注册会计师协会



张玉林(320600310002)
 您已通过2018年年检
 江苏省注册会计师协会

Registration No: 201501026891 (1152215 - W)

ELITECORE TECHNOLOGIES SDN. BHD.
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS

31 MARCH 2022

Registration No: 201501026891 (1152215 - W)

ELITECORE TECHNOLOGIES SDN. BHD.
(Incorporated in Malaysia)

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ELITECORE TECHNOLOGIES SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Company for the financial year ended 31 March 2022.

PRINCIPAL ACTIVITIES

The Company is principally engaged in provide global IT products and services by undertaking projects on turnkey basis, providing hardware, software, technology business solutions, infrastructure development, service for system development, installations, maintenance, support, consulting, outsourcing, contracting activities in information technology telecommunication and network security sectors.

There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULT

	RM
Profit for the financial year	<u>1,295,279</u>

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

ULTIMATE HOLDING COMPANY

The Directors regard Sterlite Technologies Limited, a company incorporated in India and listed on the National Stock Exchange of India, as the ultimate holding company.

DIRECTORS

The name of the Directors of the Company in office during the financial year and during the period commencing from the end of the financial year to the date of this report are as follows:-

Grace Amondi Odhiambo
Kattunga Srinivasa Rao
Saikat Mitra

DIRECTORS' FEES AND BENEFITS

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or became entitled to receive any benefit by reason of a contract made by the Company or a related corporation with the Directors or with a firm of which the Directors is a member, or with a company in which the Directors has a substantial financial interest.

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, none of the Directors in office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporation during the financial year.

ISSUE OF SHARE AND DEBENTURES

There were no changes in the issued and paid-up capital and no debentures were issued during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Company were made out, the Directors took reasonable steps:-

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no bad debts to be written off and adequate provision had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Company have been written down to an amount which they might be expected so to realise.

OTHER STATUTORY INFORMATION (CONT'D)

At the date of this report, the Directors are not aware of any circumstances:-

- (a) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:-

- (a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of financial year which will or may affect the ability of the Company to meet its obligations as and when they fall due;
- (b) the results of operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (c) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the current financial year in which this report is made.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

There was no indemnity coverage and insurance premium paid for Directors and officers of the Company during the financial year.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE REPORTING PERIOD

The significant event during the financial year and subsequent to the reporting period is disclosed in Note 18 to the financial statements.



Registration No: 201501026891 (1152215 - W)

ELITECORE TECHNOLOGIES SDN. BHD.
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 11 to 39 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31 March 2022 and of its financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors.

Saikat Mitra
SAIKAT MITRA

Kattunga Srinivasa Rao

KATTUNGA SRINIVASA RAO

India
28 June 2022

STATUTORY DECLARATION

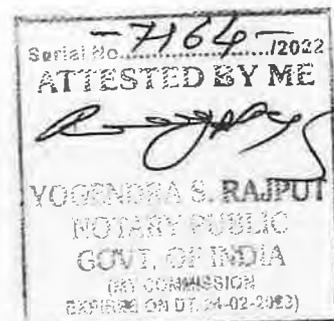
I, Saikat Mitra, being the Director primarily responsible for the financial management of Elitecore Technologies Sdn. Bhd., do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 11 to 39 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act, in India.

Subscribed and solemnly declared by
the abovenamed at India
28 June 2022

)
)
)
)
Saikat Mitra
SAIKAT MITRA

Before me:

Commissioner for Oaths



19 JUL 2022

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF**

ELITECORE TECHNOLOGIES SDN. BHD.

(Incorporated in Malaysia)

Registration No: 201501026891 (1152215 - W)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Elitecore Technologies Sdn. Bhd. ("the Company"), which comprise the statement of financial position as at 31 March 2022 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 39.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2022, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Registration No: 201501026891 (1152215 - W)

Report on the Audit of the Financial Statements (cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company 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 the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have 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 of the Company 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 approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Registration No: 201501026891 (1152215 - W)

Report on the Audit of the Financial Statements (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Company, 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 the Directors.
- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 of the Company 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 of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

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

Registration No: 201501026891 (1152215 - W)

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

Kuala Lumpur

LEE YIK LOONG
(NO: 03630/12/2023 J)
CHARTERED ACCOUNTANT

ELITECORE TECHNOLOGIES SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
ASSETS			
Non-current asset			
Deferred tax assets	4	<u>387,000</u>	<u>387,000</u>
Total non-current asset		<u>387,000</u>	<u>387,000</u>
Current assets			
Trade receivables	5	1,352,295	1,537,371
Other receivables	6	8,554	8,690
Cash and bank balances		<u>4,286,449</u>	<u>2,929,221</u>
Total current assets		<u>5,647,298</u>	<u>4,475,282</u>
TOTAL ASSETS		<u><u>6,034,298</u></u>	<u><u>4,862,282</u></u>
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to owners of the Company:-			
Share capital	7	100	100
Retained earnings		<u>4,130,514</u>	<u>2,835,235</u>
Total equity		<u>4,130,614</u>	<u>2,835,335</u>
LIABILITIES			
Current liabilities			
Trade payables	8	1,304,268	1,302,910
Other payables	9	212,097	362,264
Amount due to holding company	10	298,480	325,958
Tax payable		<u>88,839</u>	<u>35,815</u>
Total current liabilities/Total liabilities		<u>1,903,684</u>	<u>2,026,947</u>
TOTAL EQUITY AND LIABILITIES		<u><u>6,034,298</u></u>	<u><u>4,862,282</u></u>

The accompanying notes form an integral part of the financial statements.

Registration No: 201501026891 (1152215 - W)

ELITECORE TECHNOLOGIES SDN. BHD.
(Incorporated in Malaysia)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
Revenue	11	5,826,232	5,821,698
Cost of sales		<u>(3,636,313)</u>	<u>(4,273,135)</u>
Gross profit		2,189,919	1,548,563
Other income		4,070	22,627
Administration expenses		(420,300)	(239,536)
Other expenses		<u>(10,657)</u>	<u>(348,862)</u>
Profit before tax	12	1,763,032	982,792
Tax (expense)/income	13	<u>(467,753)</u>	<u>37,123</u>
Net profit/Total comprehensive income for the financial year		<u>1,295,279</u>	<u>1,019,915</u>

The accompanying notes form an integral part of the financial statements.

Registration No: 201501026891 (1152215 - W)

ELITECORE TECHNOLOGIES SDN. BHD.
(Incorporated in Malaysia)

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

	<u>Share capital</u> RM	<u>Retained earnings</u> RM	<u>Total</u> RM
Balance at 1 April 2020	100	1,815,320	1,815,420
Total comprehensive income for the financial year	-	1,019,915	1,019,915
Balance at 31 March 2021	100	2,835,235	2,835,335
Total comprehensive income for the financial year	-	1,295,279	1,295,279
Balance at 31 March 2022	100	4,130,514	4,130,614

The accompanying notes form an integral part of the financial statements.

ELITECORE TECHNOLOGIES SDN. BHD.
(Incorporated in Malaysia)

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

	<u>2022</u> RM	<u>2021</u> RM
OPERATING ACTIVITIES		
Profit before tax	1,763,032	982,792
Adjustments for:-		
Allowance for impairment loss on receivables	-	300,000
Bad debt written off	-	48,862
Unrealised (gain)/loss on foreign exchange	<u>(4,070)</u>	<u>(13,949)</u>
Operating profit before working capital changes	1,758,962	1,317,705
Changes in working capital:-		
Receivables	185,212	47,504
Payables	(148,809)	115,415
Holding company	<u>(23,408)</u>	<u>(420,023)</u>
Cash generated from operations	1,771,957	1,060,601
Tax refunded	-	-
Tax paid	<u>(414,729)</u>	<u>(286,611)</u>
Net cash from operating activities	<u>1,357,228</u>	<u>773,990</u>
FINANCING ACTIVITY		
Advance from holding company	<u>-</u>	<u>140,557</u>
Net cash from financing activity	<u>-</u>	<u>140,557</u>
CASH AND CASH EQUIVALENTS		
Net changes	1,357,228	914,547
Brought forward	<u>2,929,221</u>	<u>2,014,674</u>
Carried forward	<u><u>4,286,449</u></u>	<u><u>2,929,221</u></u>

The accompanying notes form an integral part of the financial statements.

ELITECORE TECHNOLOGIES SDN. BHD.

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2022

1. GENERAL INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Level 1, No. 11, Jalan PJU 1A/41B, NZX Commercial Centre, Ara Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan. The principal place of business of the Company is located at Block 2 & 3, Magnet Corporate Park, Near Sola Flyover, Off G Highway, Thaltej, Ahmedabad 3800054 Gujerat, India.

The Directors regard Sterlite Technologies Limited, a company incorporated in India and listed on the National Stock Exchange of India, as the ultimate holding company.

The Company is principally engaged in provide global IT products and services by undertaking projects on turnkey basis, providing hardware, software, technology business solutions, infrastructure development, service for system development, installations, maintenance, support, consulting, outsourcing, contracting activities in information technology telecommunication and network security sectors.

There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on O/S.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

2.2 Basis of measurement

The financial statements of the Company are prepared under the historical cost convention, unless otherwise indicated in the summary of significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.3 Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM") which is the Company's functional currency and all financial information is presented in RM unless otherwise stated.

2.4 MFRSs

2.4.1 Adoption of new standards/amendments/improvements to MFRSs

The Company has consistently applied the accounting policies set out in Note 3 to all periods presented in these financial statements.

At the beginning of the current financial year, the Company adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2021.

The initial application of the new standards/amendments/improvements to the standards did not have material impact on the financial statements.

2.4.2 Standards issued but not yet effective

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by Malaysian Accounting Standards Board ("MASB") but are not yet effective and has not been early adopted by the Company.

Management anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncements.

The initial application of the new standards, amendments and interpretations are not expected to have any material impact to the financial statements of the Company.

2.5 Significant accounting estimates and judgements

The preparation of financial statements for the Company requires the use of certain judgements, estimates and assumptions. Accounting estimates and judgements are being constantly reviewed against historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances. However, because of uncertainty in determining future events and its impacts, actual result could differ from the estimates reported.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 Significant accounting estimates and judgements (cont'd)

2.5.1 Estimation uncertainty

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

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses, unabsorbed capital allowances and unused tax credits to the extent that it is probable that taxable profit will be available against which all the deductible temporary differences, unutilised tax losses and unabsorbed capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about application income tax legislation. These judgements and assumptions are subject to risks and uncertainty, hence, there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statement of financial position and the amount of unrecognised tax losses and unrecognised temporary differences.

Provision for expected credit losses ("ECL") of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on the repayment pattern of the customers, customers type and coverage by letters of credit.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 Significant accounting estimates and judgements (cont'd)

2.5.1 Estimation uncertainty (cont'd)

Provision for expected credit losses ("ECL") of trade receivables (cont'd)

The assessment of the correlation between historical observed rates, forecast economic conditions and ECL is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default rate in the future.

The carrying amount of the Company's receivables at the end of the reporting date are disclosed in Notes 5 and 6 to the financial statements.

Income taxes

Significant estimation is involved in determining the Company's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the financial year in which such determination is made.

2.5.2 Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have most significant effect on the financial statements.

Determining the lease term of contracts with renewal and termination options - Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 Significant accounting estimates and judgements (cont'd)

2.5.2 Significant management judgements (cont'd)

Determining the lease term of contracts with renewal and termination options - Company as lessee (cont'd)

The Company included the renewal period as part of the lease term for leases of building with shorter non-cancellable period (i.e., three to five years). The Company typically exercises the option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available.

Deferred tax assets

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Company's latest approved budget forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

The carrying value of deferred tax assets of the Company at the reporting date was RM387,000 (2021: RM387,000) as disclosed in Note 4 to the financial statements. If the taxable profits differ by 1% due to the change in estimated future results from operating activities, the Company's deferred tax assets will vary by RM3,870 (2021: RM3,870).

3. SIGNIFICANT ACCOUNTING POLICIES

The Company applies the significant accounting policies, as summarised below, consistently throughout all periods presented in the financial statements, unless otherwise stated.

3.1 Financial instruments

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

3.1.1 Financial assets

3.1.1.1 Initial recognition and categorisation

At initial recognition, financial assets are classified and subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL").

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Financial instruments (cont'd)

3.1.1 Financial assets (cont'd)

3.1.1.1 Initial recognition and categorisation (cont'd)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or FVTOCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

At the reporting date, the Company has not designated any financial assets at FVTOCI and FVTPL. The Company carries only financial assets measured at amortised cost on its statement of financial position.

Financial assets at amortised cost

Financial assets measured at amortised cost if both of the conditions are met:-

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flow; and
- The contractual terms of the financial asset give rise to cash flows that are SPPI on specified dates.

3.1.1.2 Subsequent measurement

Financial assets at amortised cost are subsequently measured using effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include trade and most of the other receivables and cash and bank balances.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Financial instruments (cont'd)

3.1.2 Impairment of financial assets

The Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and economic environment.

The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.1.3 Financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless it is designated as a financial liability at fair value through profit or loss.

At the reporting date, the Company has not designated any financial liabilities at fair value through profit or loss. The Company carries only other financial liabilities measured at amortised cost on its statement of financial position.

Other financial liabilities measured at amortised cost

The Company's other financial liabilities include amount due to holding company and trade and most of the other payables.

Other financial liabilities are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Financial instruments (cont'd)

3.1.4 Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset have expired or control of the asset is not retained or substantially all of the risk and rewards of ownership of the financial asset are transferred to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

The Company derecognises a financial liability when their contractual obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

3.1.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances, which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of financial position, cash and cash equivalents restricted to be used to settle a liability of 12 months or more after the end of the reporting period are classified as non-current asset.

3.3 Equity and reserves

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Retained earnings include all current and prior financial year's profit.

All transactions with owners of the Company are recorded separately within equity.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Provisions

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

Provisions are reviewed at each end of the reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.5 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.5.1 As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases

The Company applies the short-term lease recognition exemption to their short-term leases of retail shoplot (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

3.6 Revenue recognition

Revenue from contracts with customers

The Company recognises revenue from contracts with customers for goods or services based on the five-step model as set out in this standards:-

- i. Identify contracts with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Revenue recognition (cont'd)

Revenue from contracts with customers (cont'd)

The Company recognises revenue from contracts with customers for goods or services based on the five-step model as set out in this standards (cont'd):-

- ii. Identify performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer either a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.
- iii. Determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- iv. Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Company allocates transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- v. Recognise revenue when (or as) the Company satisfies a performance obligation. An asset is transferred when (or as) the customer obtains control of the asset.

The Company satisfies a performance obligation and recognise revenue over time if the Company's performance:-

- i. Does not create an asset with an alternative use to the Company and has an enforceable right to payment for performance completed to-date; or
- ii. Creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- iii. Provides benefits that the customer simultaneously receives and consumes as the Company performs.

For performance obligations where any one of the above conditions not met, revenue is recognised at a point in time at which the performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods or service, it creates a contract based on asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Revenue recognition (cont'd)

Revenue from contracts with customers (cont'd)

Revenue is measured at fair value of consideration received or receivable. The followings describe the performance obligation in contracts with customers:-

3.6.1 Sales of goods and rendering of services

The Company provides global IT products and services. Revenue from providing services is recognised at over time, which is typically on services rendered. The revenue is recognised net of any related rebates, discounts and tax. The Company shall disaggregates revenue recognised from contracts with customer into categories that depict how the nature, amounting, timing and uncertainty of revenue and cash flows are affected by economic factors as disclosed in Note 11 to the financial statements.

3.7 Employee benefits

3.7.1 Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as expenses in the financial year in which the associated services are rendered by the employees of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occurred.

3.7.2 Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into independent entities of funds and will have no legal or constructive obligation to pay further contribution if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

Such contributions are recognised as expenses in the profit or loss as incurred. As required by law, the Company makes such contributions to the Employee Provident Fund ("EPF").

3.8 Tax expense

Tax expense comprises current tax and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

3.8.1 Current tax

Current tax expense is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted or substantively enacted by the reporting date. Current tax for current and prior periods is recognised in the statement of financial position as liability (or asset) to the extent that it is unpaid (or refundable).

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Tax expense (cont'd)

3.8.1 Current tax (cont'd)

Current tax is recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

3.8.2 Deferred tax

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.9 Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statement of financial position and is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

3.10 Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:-

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

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

3. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

3.11 **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

All differences are taken to the profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

3.12 **Related parties**

A related party is a person or entity that is related to the entity that is preparing its financial statements ("the reporting entity"). A related party transaction is a transfer of resources, services or obligations between the reporting entity and its related party, regardless of whether a price is charged.

- (a) A person or a close member of that person's family is related to the reporting entity if that person:-
- (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity.
- (b) An entity is related to the reporting entity if any of the following conditions applies:-
- (i) The entity and the reporting entity are members of the same group.
 - (ii) One entity is an associate or joint venture of the other entity.
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.
 - (vi) The entity is controlled or jointly-controlled by a person identified in (a) above.
 - (vii) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the ultimate holding company or the entity.
 - (viii) The entity, or any member of a group of which it is a party, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

4. DEFERRED TAX ASSETS

	<u>2022</u> RM	<u>2021</u> RM
Brought forward	387,000	13,000
Recognised in profit or loss (Note 13)	<u>-</u>	<u>374,000</u>
Carried forward	<u>387,000</u>	<u>387,000</u>

Deferred tax assets are made up of temporary differences arising from:-

	<u>2022</u> RM	<u>2021</u> RM
Allowance for impairment losses on receivables	74,000	74,000
Others	<u>313,000</u>	<u>313,000</u>
	<u>387,000</u>	<u>387,000</u>

5. TRADE RECEIVABLES

	<u>2022</u> RM	<u>2021</u> RM
Trade receivables	1,659,909	1,844,985
Less: Allowance for impairment losses	<u>(307,614)</u>	<u>(307,614)</u>
	<u>1,352,295</u>	<u>1,537,371</u>

5.1 Trade receivables are unsecured, non-interest bearing and the normal trade credit terms ranged from 30 to 60 (2021: 30 to 60) days are granted for certain customers, of which short-term credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amount which represent their fair values on initial recognition. Information on financial risk of trade receivables is disclosed in Note 15 to the financial statements.

5.2 An impairment analysis performed at each reporting date using a provision of matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by product type, customer type and rating, and other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment.

5. **TRADE RECEIVABLES (CONT'D)**

5.2 Cont'd

The following table provides information about the credit risk exposure on the Company's trade receivables using a provision of matrix:-

	← Days past due →				Total RM
	Current RM	< 31 to 60 days RM	61 to 90 days RM	> 91 days RM	
<u>2022</u>					
Expected credit loss rate	Nil	Nil	Nil	Nil	Nil
Gross carrying amount	1,352,295	-	-	307,614	1,659,909
Gross carrying amount (excluding individual impaired)	1,352,295	-	-	-	1,352,295
Expected credit loss (individual)	-	-	-	307,614	307,614
<u>2021</u>					
Expected credit loss rate	Nil	Nil	Nil	Nil	Nil
Gross carrying amount	1,537,371	-	-	307,614	1,844,985
Gross carrying amount (excluding individual impaired)	1,537,371	-	-	-	1,537,371
Expected credit loss (individual)	-	-	-	307,614	307,614

The provision rates are Nil for collective impairment because there are no historical credit losses for the past financial years and there has not been a significant change in credit quality, the amounts past due are still considered recoverable.

6. **OTHER RECEIVABLES**

	<u>2022</u> RM	<u>2021</u> RM
Prepayments	899	734
Deposits	5,800	5,800
Non-trade receivables	1,855	2,156
	<u>8,554</u>	<u>8,690</u>

7. **SHARE CAPITAL**

	Number of ordinary <u>shares</u> Unit	<u>Amount</u> RM
Issued and fully paid with no par value:-		
Brought forward/Carried forward	<u>100</u>	<u>100</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and ranks equally with regard to the Company's residual assets.

8. **TRADE PAYABLES**

	<u>2022</u> RM	<u>2021</u> RM
Contract liabilities	<u>1,304,268</u>	<u>1,302,910</u>
Brought forward	1,302,910	1,252,708
Deferred during the financial year	1,431,920	1,473,392
Recognised as revenue during the financial year	<u>(1,430,562)</u>	<u>(1,423,190)</u>
Carried forward	<u>1,304,268</u>	<u>1,302,910</u>

9. **OTHER PAYABLES**

	<u>2022</u> RM	<u>2021</u> RM
Non-trade payables	59,821	139,993
Accruals	124,593	135,250
Sales and services tax payable	<u>27,683</u>	<u>87,021</u>
	<u>212,097</u>	<u>362,264</u>

10. **AMOUNT DUE TO HOLDING COMPANY**

	<u>2022</u> RM	<u>2021</u> RM
Trade	157,923	185,401
Non-trade	<u>140,557</u>	<u>140,557</u>
	<u>298,480</u>	<u>325,958</u>

The amount due to holding company is unsecured, non-interest bearing and repayable on demand.

10. **AMOUNT DUE TO HOLDING COMPANY (CONT'D)**

The foreign currency exposure profile of amount due to holding company is as follow:-

	<u>2022</u> RM	<u>2021</u> RM
United States Dollar ("USD")	<u>157,923</u>	<u>185,401</u>

11. **REVENUE**

Revenue comprises the value of services rendered.

The Company's revenue disaggregated by pattern of revenue recognition is as follows:-

	<u>2022</u> RM	<u>2021</u> RM
Services rendered at over time	<u>5,826,232</u>	<u>5,821,698</u>

12. **PROFIT BEFORE TAX**

Profit before tax has been determined after charging/(crediting), amongst other items, the following:-

	<u>2022</u> RM	<u>2021</u> RM
Short-term lease expenses	52,200	68,754
Allowance for impairment losses on receivables	-	300,000
Bad debt written off	-	48,862
Unrealised gain on foreign exchange	(4,070)	(13,949)
Realised loss/(gain) on foreign exchange	<u>10,657</u>	<u>(8,678)</u>

13. **TAX EXPENSE/(INCOME)**

	<u>2022</u> RM	<u>2021</u> RM
Income tax		
- current financial year	450,927	345,063
- under/(over) provision in prior financial year	16,826	(8,186)
Deferred tax assets (Note 4)		
- current financial year	-	(85,000)
- under/(over) provision in prior financial year	-	<u>(289,000)</u>
	<u>467,753</u>	<u>(37,123)</u>

13. **TAX EXPENSE/(INCOME)**

A reconciliation of tax expense/(income) applicable to profit before tax at the statutory tax rate to tax expense/(income) at the effective tax rate of the Company are as follow:-

	<u>2022</u> RM	<u>2021</u> RM
Profit before tax	<u>1,763,032</u>	<u>982,792</u>
Tax at Malaysian statutory tax rate of 24%	423,128	235,870
Tax effects in respect of:-		
Expenses not deductible for tax purposes	28,776	27,541
Non-taxable income	(977)	(3,348)
Over provision of deferred tax in prior financial year	-	289,000
Under/(over) provision of tax expense in prior financial year	<u>16,826</u>	<u>(8,186)</u>
	<u>467,753</u>	<u>(37,123)</u>

14. **RELATED PARTY**

(a) Related party transactions

The significant related party transactions are as follow:-

	<u>2022</u> RM	<u>2021</u> RM
Operating expenses charged by holding company	<u>727,785</u>	<u>562,590</u>

(b) Related party balances

The outstanding balances arising from related party transactions are disclosed in Note 10 to the financial statements.

(c) Compensation of key management personnel

Key management personnel are defined as the person having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly.

The Company has no other members of key management personnel other than the Board of Directors.

15. **FINANCIAL INSTRUMENTS**

Categories of financial instruments

The Company measured all its financial assets and financial liabilities at amortised cost. The carrying amount of the financial assets and financial liabilities measured at amortised cost are as follows:-

	<u>2022</u> RM	<u>2021</u> RM
Financial assets		
Trade receivables	1,352,295	1,537,371
Other receivables	7,655	7,956
Cash and bank balances	<u>4,286,449</u>	<u>2,929,221</u>
	<u>5,646,399</u>	<u>4,474,548</u>
Financial liabilities		
Trade payables	1,304,268	1,302,910
Other payables	184,414	275,243
Amount due to holding company	<u>298,480</u>	<u>325,958</u>
	<u>1,787,162</u>	<u>1,904,111</u>

Financial risk management objectives and policies

Financial risks

The Company is exposed to financial risks arising from its operations and the use of financial instruments. Financial risk management policy is established to ensure that adequate resources are available for the development of the Company's business whilst managing its risks. The Company operates within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

The main areas of financial risks faced by the Company and the policy in respect of the major areas of treasury activity are set out as follows:-

(a) **Credit risk**

Credit risk refers to the risk that a counterparty will default in its contractual obligations resulting in financial loss to the Company. The Company adopts the policy of dealing with customers of appropriate standing to mitigate credit risk and customers who wish to trade on credit terms are subject to credit evaluation. Receivables are monitored on an ongoing basis to mitigate risk of bad debts. For other financial assets, the Company adopts the policy of dealing with reputable institutions.

15. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (cont'd)

Financial risks (cont'd)

(a) Credit risk (cont'd)

Exposure to credit risk

The Company's maximum exposure to credit risk is represented by the carrying amount of financial assets recognised at the reporting date, as summarised below:-

	<u>2022</u> RM	<u>2021</u> RM
Classes of financial assets:-		
Trade receivables	1,352,295	1,537,371
Other receivables	7,655	7,956
Cash and bank balances	<u>4,286,449</u>	<u>2,929,221</u>
Carrying amount	<u>5,646,399</u>	<u>4,474,548</u>

The credit risk for bank balances are considered negligible, since the counterparties are reputable licensed financial institutions with high quality external credit ratings.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used.

The Company's management considers that all the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality. None of the Company's financial assets are secured by collateral or other credit enhancements and none of the carrying amount of financial assets whose terms have been renegotiated that would otherwise be past due or impaired.

15. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (cont'd)

Financial risks (cont'd)

(a) **Credit risk (cont'd)**

Receivables

Concentration of credit risk

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial instrument is broadly diversified along geographical lines and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or a group of counterparties having similar characteristics except for 100% (2021: 100%) of total Company's trade receivables were due from one (2021: one) major customer.

In respect of other receivables, the Company is not subjected to any significant credit risk exposure to any single counterparty or a group of counterparties having similar characteristics.

The net carrying amount of receivables is considered a reasonable approximate of its fair value. The maximum exposure to credit risk is the carrying value of each class of receivables as disclosed in Notes 5 and 6 to the financial statements.

It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Company does not offer credit terms without the approval of the head of credit control.

With a credit policy in place to ensure the credit risk is monitored on an ongoing basis, the management has taken reasonable steps to ensure that receivables are stated at their realisable values. A significant portion of the receivables are regular customers that have been transacting with the Company. The Company uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than credit terms granted are deemed to have higher credit risk, and are monitored individually.

15. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (cont'd)

Financial risks (cont'd)

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due, due to shortage of funds.

In managing its exposures to liquidity risk arises principally from its various payables and amount due to holding company, the Company maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they fall due.

The Company aims at maintaining a balance of sufficient cash and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as below:-

	Current Less than <u>1 year</u> RM	← Non-current →		Total contractual cash flow RM
		2-5 years RM	More than 5 years RM	
<u>2022</u>				
Non-derivative financial liabilities				
Trade payables	1,304,268	-	-	1,304,268
Other payables	184,414	-	-	184,414
Amount due to holding company	<u>298,480</u>	<u>-</u>	<u>-</u>	<u>298,480</u>
Total undiscounted financial liabilities	<u>1,787,162</u>	<u>-</u>	<u>-</u>	<u>1,787,162</u>
<u>2021</u>				
Non-derivative financial liabilities				
Trade payables	1,302,910	-	-	1,302,910
Other payables	275,243	-	-	275,243
Amount due to holding company	<u>325,958</u>	<u>-</u>	<u>-</u>	<u>325,958</u>
Total undiscounted financial liabilities	<u>1,904,111</u>	<u>-</u>	<u>-</u>	<u>1,904,111</u>

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of financial liabilities as at the reporting date.

15. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (cont'd)

Financial risks (cont'd)

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is exposed to foreign currency risk on amount due to holding company that is denominated in a currency other than the Company's functional currency. The currency giving rise to this risk is primarily United States Dollar ("USD").

Carrying amounts of the Company's exposure to foreign currency risk are as follows:-

	<u>USD</u>
	RM
<u>2022</u>	
Amount due to holding company	<u>157,923</u>
Net exposure	<u>157,923</u>
<u>2021</u>	
Amount due to holding company	<u>185,401</u>
Net exposure	<u>185,401</u>

Foreign currency sensitivity analysis

The following table illustrates the sensitivity of the Company's profit to a reasonable possible change in RM/USD exchange rate which 'all other things being equal'.

It assumes a +/- 1% (2021: 1%) change of the RM/USD exchange rate for the financial year is deemed possible. The percentage has been determined based on average market volatility in exchange rates in previous 12 months. The sensitivity analysis is based on the Company's foreign currency financial instrument held at each reporting date.

If the RM had strengthened against the USD, then the impact would be as follows:-

	<u>2022</u>	<u>2021</u>
	RM	RM
Effect on profit for the financial year		
- USD	<u>1,579</u>	<u>1,854</u>

15. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (cont'd)

Financial risks (cont'd)

(c) Foreign currency risk (cont'd)

If RM had weakened against the USD, then the impact to profit for the financial year would be the opposite effect.

Exposures to foreign exchange rate vary during the financial year depending on the amount outstanding. Nonetheless, the analysis above is considered to be representative of the Company's exposure to currency risk.

16. FAIR VALUE HIERARCHY

As at the reporting date, the Company has no financial instruments that are measured subsequent to initial recognition at fair value and hence fair value hierarchy is not presented.

17. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholders' value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. There were no changes in the Company's approach to capital management during the financial years ended 31 March 2022 and 31 March 2021.

18. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE REPORTING PERIOD

The World Health Organisation declared the Coronavirus ("COVID-19") outbreak as a pandemic on 11 March 2020. The Government of Malaysia imposed the Movement Control Order ("MCO") on 18 March 2020 and has subsequently entered into various phases of the MCO.

The Company has performed assessments on the overall impact of the situation on the Company's operations and financial implications, including the recoverability of the carrying amount of assets and subsequent measurement of assets and liabilities, and concluded that there is no material adverse effect on the financial statements for the financial year ended 31 March 2022.

18. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE REPORTING PERIOD (CONT'D)

Given the fluidity of the situation, the Company will continuously monitor the impact of the Covid-19 and take appropriate and timely measures to minimise the impact of the outbreak on the Company's operations.

(To be typed on entity letterhead)

Date: 28 June 2022

Grant Thornton Malaysia PLT
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

For the attention of: Mr. Lee Yik Loong

Dear Sir,

This letter of representation is provided in connection with your examination of the financial statements of Elitecore Technologies Sdn. Bhd. as at 31 March 2022 and for the financial year then ended (**"the financial statements"**), for the purpose of expressing an opinion as to whether the financial statements are properly drawn up in accordance with Malaysian Financial Reporting Standards (**"MFRSs"**), International Financial Reporting Standards (**"IFRSs"**) and the Companies Act 2016 in Malaysia (**"Companies Act"**) with applied on a consistent basis so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and the results, changes in equity and cash flows for the financial year then ended.

We confirm our acknowledgement and understanding of our responsibilities, as set out in the terms of the audit engagement letter, for the preparation and fair presentation in the financial statements of the financial position, results of operations, changes in equity and cash flows of the Company in conformity with the requirements of the Companies Act, MFRSs and IFRSs; and we have fulfilled, as Directors these responsibilities.

We confirm to the best of our knowledge and belief, and having made appropriate enquiries of other Directors and officers of the Company as we considered necessary, the representations in the following paragraphs:-

ACCOUNTING RECORDS AND TRANSACTIONS

All transactions have been entered in the accounting records and are reflected in the financial statements and we have made available to you all financial records and related data of the Company.

We have provided you with:-

- access to all information of which we are aware that is relevant to the preparation of the financial statements of the Company such as records, documentation and other matters;

ACCOUNTING RECORDS AND TRANSACTIONS (CONT'D)

We have provided you with (cont'd):-

- a complete list of all the financial institutions with which of the Company has relationships during the financial year or as at the reporting date;
- unrestricted access to persons within the Company from whom you determined it necessary to obtain audit evidence; and
- additional information that you have requested from us for the purpose of the audit of the Company;

and have not withheld any such information.

We confirm that, the system of internal control in the Company is adequate to ensure that:-

- assets of the Company are safeguarded against loss from unauthorised use or disposition; and
- all transactions are properly authorised and that they are recorded as necessary to enable the preparation of true and fair statement of profit or loss and other comprehensive income and statement of financial position and to give a proper account of the assets.

MINUTES AND CONTRACTS

The dates of meetings of shareholders and Directors of the Company are summarised as follows:-

Directors' Circular Resolutions dated : 1 April 2022 (2 resolutions)

The minutes of these meetings or summaries of actions of the recent meetings for which minutes have not yet been prepared were furnished to your representative are complete and authentic records.

MINUTES AND CONTRACTS (CONT'D)

We have made available to your representatives all significant contracts. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements of the Company in the event of non-compliance. There have been no communications concerning non-compliance with requirements of regulatory authorities with respect to financial matters.

FINANCIAL STATEMENTS

The financial statements referred to above, including the notes thereto present fairly the financial position, results of operations, changes in equity and cash flows of the Company for the financial year ended 31 March 2022 conformity with the requirements of the Companies Act, MFRSs and IFRSs applied on a consistent basis. The selection and application of accounting policies are appropriate and are summarised in the Notes to the financial statements of the Company.

We believe that the effects of the uncorrected financial statements misstatements (including omitted disclosures) aggregated by you during the audit (as set out in the attached Appendix 1) are immaterial, both individually and in the aggregate, to the financial statements of the Company as a whole.

The financial statements of the Company are free of material errors and omissions.

SIGNIFICANT ASSUMPTIONS AND ACCOUNTING ESTIMATES

We are responsible for making the accounting estimates included in the financial statements as disclosed in the notes to the financial statements of the Company. Significant assumptions used by us in making accounting estimates, are reasonable and their measurement processes were consistently applied from year to year.

Appropriate measurement processes were used, including related assumptions and model, in determining the accounting estimate on the context of MFRSs and IFRSs. The assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the Company, where relevant to the accounting estimates and disclosures. The disclosures related to the accounting estimates are complete and appropriate under MFRSs and IFRSs.

Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take. There were no subsequent events which require adjustment to the accounting estimates and disclosures included in the financial statements.

RELATED PARTY DISCLOSURES

All related party relationships and transactions have been appropriately accounted for and adequately disclosed in the Notes to the Financial Statements in accordance with the requirements of MFRSs and IFRSs.

We confirm the completeness of the information provided to you regarding the identity of the related parties of the Company and all of the related party relationships and transactions of which we are aware.

RELATED PARTY DISCLOSURES (CONT'D)

Attached hereto is a complete list of related parties and a summary of transactions or services with such parties for the financial year ended 31 March 2022 and related party receivables or payables as at that date are as follows:-

	RM
Related party transaction	
<u>Operating expenses charge by holding company</u>	
- Sterlite Technologies Limited	<u>727,785</u>
Related party balance	
<u>Amount due to holding company</u>	
- Sterlite Technologies Limited	<u>298,480</u>

These transactions and related amounts have been properly recorded or disclosed in the financial statements.

The amount due to holding company is unsecured, non-interest bearing and repayable on demand.

ASSETS

Cash

There is no restriction, formal or informal, on the use of cash or funds on deposit as at 31 March 2022.

Receivables

Receivables of the Company represent valid claims against the debtors indicated and do not include amounts for goods shipped or services provided subsequent to 31 March 2022 or goods shipped on consignment or approval or other types of arrangements not constituting sales.

Adequate allowances have been made for expected credit losses, costs and expenses that may be incurred subsequent to 31 March 2022 in respect of sales and services rendered prior to that date and for uncollectible accounts, discounts, returns and allowances, etc that may be incurred in the collection of receivables at that date.

Others

We have reviewed the carrying amounts of the assets, as of 31 March 2022, there is no indication of impairment in value of any assets as at the reporting date.

ASSETS (CONT'D)

Others (cont'd)

None of the assets of the Company has been pledged or are subject to mortgages, liens, security interest or any other forms of encumbrances.

LIABILITIES

We have disclosed to you all known actual or possible litigation and claims whose effect should be considered when preparing the financial statements and such matters have been appropriately accounted for and adequately disclosed in accordance with MFRSs and IFRSs.

On the reporting date, contingencies resulting from the issuance and endorsement of bills, from guarantees, warranties on bills and checks and from guarantee agreements as well contingencies from providing collateral for third party liabilities did not exist at the reporting date.

No claims and assessment that require is to seek legal opinion and therefore no legal adviser was appointed during the financial year.

Liabilities, including contingent liabilities collateralised by liens or similar rights did not exist at the reporting date.

ARRANGEMENTS WITH FINANCIAL INSTITUTIONS

There are no formal or informal arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line of credit or similar arrangements for the Company.

FINANCIAL INSTRUMENTS

Derivative financial instruments (for example foreign currency, interest rate, securities and index related option and forward contracts, interest and currency swaps, forward rate agreements and forward deposits) did not exist as the reporting date.

We confirm that quantitative data disclosed in the financial statements in relation to the exposure of the Company to risks arising from financial instruments held at the reporting date is representative of the exposure to the risks during the financial year.

TAXATION

We have considered the accounting and reporting requirements of MFRS 112 Income Taxes. We have recorded any liability (or reduction in amounts refundable) required for unrecognised tax benefits related to our tax positions, as defined in MFRS 112. Further, we have given consideration to potential interest and penalties related to the unrecognised tax benefits and have made any necessary accrual for such items in accordance with the guidance in MFRS 112.

COMMITMENTS

Commitments under letter of support not stated did not exist at the reporting date.

Commitments for return to the vendor of assets as commitments for taking back assets did not exist at the reporting date.

There were no agreements or commitments to repurchase asset previously sold.

Agreements, for which on account of their nature, length of period, potential contractual penalties or other reasons are of may become significant for an assessment of the financial position of the Company did not exist at the reporting date.

FRAUD AND NON-COMPLIANCE WITH LAWS AND REGULATION

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We have disclosed to you all information in relation to:-

- (a) fraud or suspected fraud that we are aware of, affecting the Company, involving
 - (i) management;
 - (ii) employees who have significant roles in internal control; and
 - (iii) others where the fraud could have a material effect on the financial statements;
and
- (b) allegations of fraud, or suspected fraud, affecting the financial statements of the Company communicated by employees, former employees, analysts, regulators or others.

We have communicated to you all deficiencies in internal control of which we are aware.

FRAUD AND NON-COMPLIANCE WITH LAWS AND REGULATION (CONT'D)

We confirmed the following matters to you which are true to the best of our knowledge of:-

- (a) the results of our assessment of the risk that the financial statements have not been materially misstated as a result of fraud;
- (b) there were no fraud or suspected fraud affecting the Company involving management and employees who have significant roles in internal control; or others where the fraud could have a material effect on the financial statements;
- (c) we have no knowledge of any allegations of fraud, or suspected fraud, affecting the Company's financial statements communicated by employees, former employees, analysts, regulators or others.

There are no instances where any officers or employees of the Company have an interest in a company with which the Company do business which would be considered a "conflict of interest". Such an interest would be contrary to the Company Policy.

We have taken precautionary measures to ensure strict adherence to relevant laws and regulations, which provide the legal framework within which our business is conducted and which are central to our ability to conduct our business. These are:-

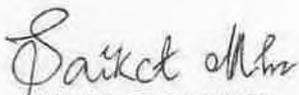
- a. Companies Act 2016;
- b. Unclaimed Moneys Act 1965;
- c. Income Tax Act 1967;
- d. Sales Tax Act 2018;
- e. Service Tax Act 2018;
- f. Financial reporting (Amendment) Act 2004; and
- g. Other rules and laws applicable to the Company.

There is no non-compliance of possible non-compliance with those laws and regulations, including illegal acts or inquiries, investigations and/or enforcement actions by the regulators of which we are aware whose effects shall be considered when preparing Financial Statements.

SUBSEQUENT EVENT DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE REPORTING PERIOD

The significant event during ~~the~~ financial year and subsequent to the reporting period ~~is disclosed~~ in Notes to the financial statements.

Yours very truly,



.....
Saikat Mitra
Director



.....
Kattunga Srinivasa Rao
Director

IND AS for STL Tech UK As at 31-Mar-2022 (Amounts Scaled to ')

(Conversion Rate - B5 Rate = 93.65000000 PL Rate = 103.75000000)

Balance Sheet	Note	STL Tech UK	STL Tech UK
		GBP	INR
ASSETS			
Non-current assets			
Capital work-in-progress		238,897.89	23,815,730.65
Other Non-current assets	11	-	-
Total Non-Current assets		238,897.89	23,815,730.65
Current assets			
Inventories	13	-	-
Financial Assets			
Investments	12	-	-
Trade receivables	8	-	-
Loans	9	198,963.00	19,834,621.47
Cash and cash equivalents	14A	132,287.23	13,187,713.96
Other Bank balances	14B	-	-
Other Current Financial Assets	10	-	-
Other current assets	11	11,050.76	1,101,650.26
Total current assets		342,300.99	34,123,985.69
	Total Assets	581,198.88	57,939,716.34
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	400,000.00	41,262,000.00
Other Equity	16	-	(2,373,908.57)
Total Equity		400,000.00	38,888,091.43
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	17	170,598.88	17,994,910.91
Other financial liabilities	18	-	-
Employee benefit obligations	21	-	-
Provisions	22	-	-
Other non-current liabilities	24	-	-
Deferred tax liabilities (Net)	20	-	-
Total Non-Current liabilities		170,598.88	17,994,910.91
Current liabilities			
Other current liabilities	24	10,600.00	1,056,714.00
Employee benefit obligations	21	-	-
Provisions	22	-	-
Total current liabilities		10,600.00	1,056,714.00
	Total Equity and Liabilities	581,198.88	57,939,716.34

Anil K.

IND AS for STL Tech UK For the period year ended 31-Mar-2022 (Amounts Scaled to ')

Company Code: 55 (Date: 31.03.2022) Full Name: STL Tech UK

Profit and Loss	Note	STL Tech UK	STL Tech UK
		GBP	INR
Earnings before interest, tax, depreciation and amortisation (EBITDA) (i) - (ii)		-	-
Depreciation and amortisation expense	30	-	-
Finance costs	31	-	-
Finance Income	26	-	-
Profit from continuing operations		-	-
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations			(2,373,908.57)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods			(2,373,908.57)
Other comprehensive income for the year, net of tax			(2,373,908.57)
Total comprehensive income for the year, net of tax			(2,373,908.57)
Profit for the year			
Attributable to:			
Other comprehensive income			
Attributable to:			
Owners of the company			(2,373,908.57)
			(2,373,908.57)
Total comprehensive income			
Attributable to:			
Owners of the company			(2,373,908.57)
			(2,373,908.57)
Total comprehensive income attributable to owners:			
Continuing Operations			(2,373,908.57)
			(2,373,908.57)

Anil

STERLITE TECHNOLOGIES DMCC

**AUDIT REPORT AND ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2022**

Private & Confidential

R- 3942

STERLITE TECHNOLOGIES DMCC

Dubai- United Arab Emirates

Financial Statements and Independent Auditor's Report for the Year Ended 31 March 2022

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STERLITE TECHNOLOGIES DMCC

Company Information

Principal Business

Sterlite Technologies DMCC (the Company) was incorporated on July 6, 2020 and operates in the United Arab Emirates under the service and trade licenses issued by the Dubai Multi Commodities Center Authority, Government of Dubai, United Arab Emirates.

License Details

Service License No. DMCC-779983

Trading License No. DMCC-779984

Licensing Activities

Software House

Network Consultancies

Information Technology Consultants

Fiber Optic Products & Requisites Trading

Shareholder

Sterlite Technologies Limited

Directors

Mr. Gavin Andrew Faulds

Mr. Rahul Puri

Manager

Mr. Gavin Andrew Faulds

Banker

CITI Bank

Registered Address

Unit No: 1109, 1101

The Dome Tower

Plot No: JLT-PH1-N1

Jumeirah Lakes Towers

Dubai, United Arab Emirates

Auditors

Hallmark International Auditing of Accounts

License No. 719686

Dubai, U.A.E.

Tel: +971-04-2599055



STERLITE TECHNOLOGIES DMCC
DUBAI, UAE

Management Report

The management is pleased to present their report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31 March 2022.

Principal Activities and Address

The Principal activities of the Company are Software House, Network Consultancies and Information Technology Consultants under the service license No. DMCC-779983 and Fiber Optic Products & Requisites Trading under the Trade License No. DMCC-779984 and the registered address is at Unit No: 1109, 1101, The Dome Tower, Plot No: JLT-PH1-N1, Jumeirah Lakes Towers, Dubai, United Arab Emirates.

Business Review

For the year, the company had recorded revenue of AED 16,170,817 /- as compared to previous period revenue of AED 1,726,878/- and the Net Profit for the year was AED 1,456,907/- as compared to previous period Net Loss AED 1,413,832/-.

Events Subsequent to the Balance Sheet Date

There were no major events which occurred since the year end that materially affect the financial position of the company.

Auditors

The financial statements have been audited by Hallmark International Auditing of Accounts who retire and, being eligible, offer themselves for appointment.

Acknowledgement

The company takes this opportunity to place on record their gratitude to the various government departments, banks, professionals and business associates for their continued assistance and support extended to the entity. The Company also wish to express their appreciation to the employees at all levels for their hard work, dedication & commitment.

For Sterlite Technologies DMCC



Mr. Gavin Andrew Faulds
Director



Mr. Rahul Puri
Director

Dubai

Date: 20.06.2022



The Shareholder,
Sterlite Technologies DMCC
Dubai, United Arab Emirates

INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements of Sterlite Technologies DMCC for the year ended 31 March, 2022.

OPINION:

We have audited the accompanying financial statements of **Sterlite Technologies DMCC**, ("the Company"), Dubai, UAE, which comprises the statement of financial position as at **31 March, 2022**, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards (IFRS) as adopted in the United Arab Emirates ("U.A.E").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at **March 31, 2022** and of the results of its operations for the year ended are in accordance with International Financial Reporting Standards.

BASIS FOR OPINION:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the entity's financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities requirements in accordance with these requirements and IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF THE MANAGEMENT FOR THE FINANCIAL STATEMENTS:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and their preparation in compliance with the implementing regulations of DMCC authority, 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, the management is responsible for assessing the company's ability to continue as a going concern, 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.

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

Continued...

INDEPENDENT AUDITOR'S REPORT

(Continued)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 the 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 Entity'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 Entity's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Entity and business activities within the Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Entity audit. We remain solely responsible for our audit opinion.

Continued...

INDEPENDENT AUDITOR'S REPORT

(Continued)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED):

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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the UAE Federal Law No. (2) of 2015, we report that:

1. We have obtained all the information and explanations we considered necessary for the purposes of our audit;
2. The company has maintained proper books of account.
3. Activities undertaken by company are not different than activities permitted under license issued by DMCCA.

We confirm that the financial statements comply with provisions of Implementing Regulation No.1/03 issued by the Dubai Multi Commodities Centre.

Hallmark International Auditors



Handwritten signature in blue ink that reads "Hallmark".

Professional License No. 719686
Auditor's Registration Number: 720
Dubai, UAE

Date: 20 June, 2022

STERLITE TECHNOLOGIES DMCC

Statement of Financial Position As at March 31, 2022

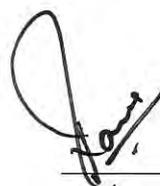
	Note	31-Mar-22 AED	31-Mar-21 AED
ASSETS			
Non Current Assets			
Property, Plant and Equipment	5	742,030	164,657
Capital Work-In-Progress	6	-	467,786
		742,030	632,443
Current Assets			
Deposits, Advances & Prepayments	7	1,654,624	1,394,744
Other Receivables	8	784,842	7,861
Bank Balances	9	2,663,682	2,788,602
Due from Related Party	10.1	3,901,591	1,017,434
		9,004,739	5,208,641
TOTAL ASSETS		9,746,769	5,841,084
SHAREHOLDER'S FUND AND LIABILITIES			
Shareholder's Equity			
Share Capital		50,000	50,000
Retained Earnings/(Accumulated Losses)		43,075	(1,413,832)
		93,075	(1,363,832)
Non Current Liabilities			
Loan from Related Party	10.2	5,054,856	3,774,252
Employees' End of Service Benefits	11	52,320	10,008
		5,107,176	3,784,260
Current Liabilities			
Due to Related Party	10.3	384,075	-
Trade & Other Payables	12	4,051,464	3,325,971
Accruals	13	110,979	94,685
		4,546,518	3,420,656
TOTAL EQUITY AND LIABILITIES		9,746,769	5,841,084

The annexed notes form an integral part of these financial statements.

For Sterlite Technologies DMCC



Mr. Gavin Andrew Faulds
Director

Mr. Rahul Puri
Director



STERLITE TECHNOLOGIES DMCC

Statement of Comprehensive Income
For the year ended March 31, 2022

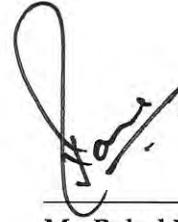
	Note	31-Mar-22	From 06-Jul-20 to 31-Mar-21
		AED	AED
Revenue	14	16,170,817	1,726,878
Cost of Revenue	15	(3,590,884)	(449,919)
Gross Profit		12,579,933	1,276,959
General, Selling & Administrative Expenses	16	(11,146,580)	(2,648,967)
Finance Costs	17	(42,886)	(32,269)
Foreign Exchange (Gain)/Loss		66,440	(9,555)
Profit/ (Loss) for the Year/ Period		1,456,907	(1,413,832)
Other Comprehensive Income		-	-
Total Comprehensive Income/ (Loss) for the Year/ Period		1,456,907	(1,413,832)

The annexed notes form an integral part of these financial statements.

For Sterlite Technologies DMCC



Mr. Gavin Andrew Faulds
Director

Mr. Rahul Puri
Director



STERLITE TECHNOLOGIES DMCC

Statement of Changes in Equity
For the year ended March 31, 2022

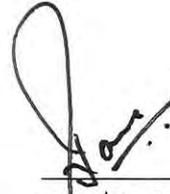
	Share Capital	Retained Earnings / (Accumulated Losses)	Total
	AED	AED	AED
Share Capital introduced	50,000	-	50,000
(Loss) for the period	-	(1,413,832)	(1,413,832)
As at 31 March, 2021	50,000	(1,413,832)	(1,363,832)
Profit for the Year	-	1,456,907	1,456,907
As at 31 March, 2022	50,000	43,075	93,075

The annexed notes form an integral part of these financial statements.

For Sterlite Technologies DMCC



Mr. Gavin Andrew Faulds
Director



Mr. Rahul Puri
Director



STERLITE TECHNOLOGIES DMCC

Statement of Cash Flows

For the year ended March 31, 2022

	Note	31-Mar-22	From 06-Jul-20 to 31-Mar-21
		AED	AED
I. OPERATING ACTIVITIES			
Profit/(Loss) for the Year/ Period		1,456,907	(1,413,832)
<i>Adjustment for:</i>			
Depreciation	5	86,347	9,922
Provision for Employees' End of Service Benefits	11	92,767	10,008
Operating Cash flow before working capital changes		1,636,021	(1,393,902)
<i>Changes in working capital</i>			
(Increase) in Deposits, Advances & Prepayments	7	(259,880)	(1,394,744)
(Increase) in Other Receivables	8	(776,981)	(7,861)
(Increase) in Due from Related Party	10.1	(2,884,157)	(1,017,434)
Increase in Due to Related Party	10.3	384,075	-
Increase in Trade & Other Payables	12	725,493	3,325,971
Increase in Accruals	13	16,295	94,685
		(1,159,134)	(393,285)
Employees' End of Service Benefits paid		(50,455)	-
Net cash flows (used in) Operating Activities(A)		(1,209,589)	(393,285)
II. INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment	5	(663,720)	(174,579)
Investment in new Office Infrastructure	6	467,786	(467,786)
Net cash flows (used in) Investing Activities(B)		(195,934)	(642,365)
III. FINANCING ACTIVITIES			
Share Capital introduced		-	50,000
Loan from Related Party	10.2	1,280,604	3,774,252
Net cash flows from Financing Activities(C)		1,280,604	3,824,252
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS(A+B+C)		(124,920)	2,788,602
Cash and cash equivalents at the beginning of the year/ period		2,788,602	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/ PERIOD	9	2,663,682	2,788,602

The annexed notes form an integral part of these financial statements.

For Sterlite Technologies DMCC

Mr. Gavin Andrew Faulds
Director



Mr. Rahul Puri
Director



Notes to the Financial Statements for the year ended March 31, 2022

These financial statements have been prepared for the year from 1 April 2021 to 31 March 2022.

1 LEGAL STATUS, ACTIVITIES AND MANAGEMENT

1.1 Legal Status

Sterlite Technologies DMCC ("the Company") is a Free Zone Company incorporated on 06th July 2020 vide service license no. DMCC-779983 and trade license no. DMCC-779984 issued by Dubai Multi Commodities Centre Authority, Government of Dubai, United Arab Emirates.

1.2 Activities & Address

The Principal activities of the Company are Software House, Network Consultancies and Information Technology Consultants under the service license No. DMCC-779983 and Fiber Optic Products & Requisites Trading under the Trade License No. DMCC-779984 and the registered address is at Unit No: 1109, 1101, The Dome Tower, Plot No: JLT-PH1-N1, Jumeirah Lakes Towers, Dubai, United Arab Emirates.

1.3 Management

The company was managed by Raghupathi Reddy Pabathiredd, an Indian national till 22.12.2021 after which Mr. Gavin Andrew Faulds managed the company.

1.4 Share Capital

The Authorised, Issued and Paid up Share Capital of the company is AED 50,000/- at AED 1,000/- per share distributed as follows.

Name of Shareholder	Company Based In	No. of Shares	% of Shareholding	Value in AED
Sterlite Technologies Limited	India	50	100%	50,000
		50	100%	50,000

2 Adoption of new and revised International Financial Reporting Standards and Interpretations

2.1 Standards and Interpretations effective in the current year

The company has adopted the following new and amended IFRS that are effective for the financial year ended 31 March 2022.

a. Amendment to IFRS 16 , 'Leases' - Covid-19 related rent concessions:

On May 28, 2020, the IASB published an amendment to IFRS 16 that provides an optional practical expedient for lessees from assessing whether a rent concession related to Covid-19 is a lease modification. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.

The practical expedient is only applicable to rent concessions provided as a direct result of the covid-19 pandemic. The relief is only for lessees that are granted these rent concessions. There are no changes for lessors. All the following conditions in relation to the lessee expedient need to be met:

Notes to the Financial Statements for the year ended March 31, 2022

a. Amendment to IFRS 16 , 'Leases' - Covid-19 related rent concessions: (continued)

- the rent concession provides relief to payments that overall results in the consideration for the lease contract being substantially the same or less than the original consideration for the lease immediately before the concession was provided.
- the rent concession is for the relief for payments that were originally due on or before June 30, 2021. So payments included are those required to be reduced on or before June 30, 2021, but subsequent rental increases of amounts deferred can go beyond June 30, 2021.
- there are no other substantive changes to the other terms and conditions of the lease.

The practical expedient is optional and must be applied consistently to all lease contracts with similar characteristics and in similar circumstances.

The lessee that chose to apply the original practical expedient must consistently apply the extension to eligible contracts with similar characteristics and in similar circumstances.

There is no practical expedient for lessors.

The amendment are effective for annual reporting periods beginning on or after June 01, 2020, with earlier application permitted. Unlike most amendments to IFRS, application is also permitted in financial statements of earlier periods not yet authorised for issue on May 28, 2020.

The amendment does not have an impact on these financial statements.

b. Interest Rate Benchmark Reform Phase 2(Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16):

Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, Financial Instruments, IAS 39, Financial Instruments: Recognition and measurement, IFRS 7, Financial Instruments: Disclosures, IFRS 4, Insurance contracts, and IFRS 16, Leases), provide a practical expedient for modifying a financial contract or a lease for lessees because of IBOR reform (IBOR reform - Phase 2). The amendments also allow a series of exemptions from certain rules around hedge accounting, including the need to discontinue existing hedging relationships because of changes to hedging documentation required by IBOR reform.

The Phase 2 amendments principally address the following issues:

(1) Practical expedient for modifications:

Under the detailed rules of IFRS 9 Financial instruments, modifying a financial contract can require recognition of a significant gain or loss in the income statement. However, the amendments introduce a practical expedient if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate.

A similar practical expedient will apply under IFRS 16 Leases for lessees when accounting for lease modifications required by IBOR reform.

(2) Specific relief from discontinuing hedging relationships:

The amendments also allow a series of exemptions from the regular, strict rules around hedge accounting. For example, an entity will not need to discontinue existing hedging relationships because of changes to hedge documentation required solely by IBOR reform. Therefore, when a hedged risk changes due to benchmark reform, an entity may update the hedge documentation to reflect the new benchmark rate and the hedge may be able to continue without interruption.

Notes to the Financial Statements for the year ended March 31, 2022

(2) Specific relief from discontinuing hedging relationships: (continued)

However, like the Phase 1 amendments, there is no exception from the measurement requirements that apply for the hedged items and hedging instruments under IFRS 9 or IAS 39 Financial Instruments: Recognition and Measurement. Once the new benchmark rate is in place, the hedged items and hedging instruments are re-measured based on the new rate and any hedge ineffectiveness will be recognised in profit or loss.

These amendments are applicable for annual periods beginning on or after January 01, 2021, with earlier application permitted. An entity applies the amendments retrospectively, except that it will reinstate a discontinued hedging relationship if conditions are met.

In addition, an entity is not required to restate prior periods to reflect the application of the amendments. However, an entity may restate prior periods if it is possible without the use of hindsight.

The amendment does not have an impact on these financial statements.

2.2 New and Revised IFRS in Issue but not Effective and not Early Adopted

The following standards, amendments thereto and interpretations have been issued prior to March 31, 2022 but have not been applied in these financial statements as their effective dates of adoption are for future periods. The impact of the adoption of the below standards is currently being assessed by the management. It is anticipated that their adoption in the relevant accounting periods will impact only the disclosures within the financial statements.

	<i>Effective for annual periods beginning</i>
IFRS 17 Insurance Contracts	January 01, 2023
Amendments to IAS 1: Classification of Liabilities as current and non current	January 01, 2023
Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8: Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.	Indefinitely deferred

3 Basis of Presentation and Significant Accounting Policies

3.1 Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) promulgated by the International Accounting Standards Board (IASB) and requirements of UAE Federal Law No. 2 of 2015.

3.2 Basis of Measurement

The financial statements are prepared under the historical cost convention.

Historical cost is generally based on the fair value of the consideration given in exchange of goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Notes to the Financial Statements for the year ended March 31, 2022

3.3 Functional and Presentation Currency

These financial statements are prepared and items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ("the functional currency"). These financial statements are presented in Arab Emirates Dirhams (AED), which is the company's functional and presentation currency.

3.4 Foreign Currency Translation Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement. Non-monetary assets and liabilities are translated at historical exchange rates if held at historical cost, or year-end exchange rates if held at fair value, and the resulting foreign exchange gains and losses are recognised in either the income statement or shareholders' equity depending on the treatment of the gain or loss on the asset or liability.

3.5 Property, Plant and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes the expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are recognized in the income statement during the financial period in which they are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Nature of the Assets	Estimated Useful Life
Office	4 Years
IT Equipments	4 Years
Furniture and Fixtures	5 Years

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. At each balance sheet date, assets are also assessed for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately to the recoverable amount.

Gains and losses on disposals or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying value of the asset and is recognized in the income statement.

Notes to the Financial Statements for the year ended March 31, 2022

3.6 Impairment of Non-Financial Assets

Assets that have an indefinite useful life, for example, goodwill or intangible assets not ready to use, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization/depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell, and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels, for which there are mostly independent cash inflows (cash generating units). Prior impairments of non financial assets (other than goodwill) are reviewed for a possible reversal on each reporting date.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such truncations can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies and other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the company's CGU's to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of one to five years. For more extended periods, a long term growth rate is calculated and applied to projected future cash flows after the fifth year.

Impairment losses are recognized in the income statement in expense categories consistent with the function of the impaired asset, except for assets previously revalued with the revaluation taken to other comprehensive income. For such assets, the impairment is recognized in other comprehensive income up to the amount of any previous revaluation.

3.7 Financial Instruments

Financial assets and financial liabilities recognized when the company becomes party to the contractual provisions of the Instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisitions of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Classification of Financial Assets

1. Financial Assets at Amortized Cost:

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company's financial assets measured at amortized cost consist of accounts and other receivables (excluding prepayments and advances) and cash and cash equivalents.

Notes to the Financial Statements for the year ended March 31, 2022

Financial Assets at Fair Value through other Comprehensive Income (FVTOCI):

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held with a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company has no financial assets at FVTOCI.

2. Financial Assets at Fair Value through Profit and Loss Account (FVTPL):

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the preceding, the company may take the following irrevocable election/designation at initial recognition of a financial assets:

- the company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if specific criteria are met; and
- the company may irrevocably designate a debt investment that meet the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

The company has no financial assets at FVTPL.

3. Amortized Cost and Effective Interest Method

The effective interest method is a method of calculating the optimized cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal payments, plus the cumulative amortization using the effective interest method of any difference between that any initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial asset that have subsequently become credit -impaired.

For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial assets. If in subsequent reporting periods, the credit risk on the credit-impaired financial instruments improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial assets.

Interest income is recognized in profit or loss and is included in the "finance income" line item.

Notes to the Financial Statements for the year ended March 31, 2022

4. Impairment of Financial Assets

The company recognizes a loss allowance or expected credit losses on accounts and other receivables. The amount of expected credit losses is updated at each reporting date to effect changes in credit risk since initial recognition of the respective financial instrument.

The company recognizes lifetime ECL for accounts and other receivables, and related party balances. The expected credit loss on these financial assets are estimated based on the company's historical credit loss experience of the debtor, adjusted factors that are specific to the debtors, general economic conditions and assessment of both the current as well as the forecast direction of the conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognized based on significant increase in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12- month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Investments in Equity instruments are designated as investments at FVTPL and FVTOCI are not subject to impairment.

5. Significant Increase in Credit Risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the company's debtors operate, obtained from economic experts reports, and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relates to the company's core operations.

Despite the foregoing, the company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if :

- the financial instrument has a low risk of default;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.
- the company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying a significant increase in credit risk before the amount becomes past due.

Notes to the Financial Statements for the year ended March 31, 2022

6. Definition of Default

The company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable;

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the company, in full.
- irrespective of the above analysis, the company considers that default has occurred when a financial asset is more than 30 days past due unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

7. Credit Impaired Financial Assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial assets have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- the significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; it is becoming probable the borrower will enter bankruptcy or other financial recognition; or
- the disappearance of an effective market for that financial asset because of financial difficulties.

8. Write Off Policy

The company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

9. Measurement and Recognition of Expected Credit Losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expect to receive, discounted at the original effective interest rate.

If the company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

10. De-recognition of Financial Assets

The company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial assets and subsequently all the risks and rewards of ownership of the assets to another entity. If the company neither transfers nor retains all the risks and rewards of ownership subsequently and continues to control the transferred assets, the company recognizes its retained interest in the asset and an associate liability for amounts it may have to pay. If the company retains all the risks and rewards of ownership of a transferred financial asset subsequently, the company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the assets carrying amount and sum of the consideration received and receivable is recognized in profit or loss.

11. Financial Liabilities and Equity Instruments

Classification as Debt or Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

Equity Instruments

An Equity Instruments is any contract that evidence a residual interest in the asset of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received net of direct issue cost.

Financial Liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the company, are measured in accordance with the specific accounting policies set out below:

Financial Liabilities measured Subsequently at Amortized Cost

Financial liabilities that are not:

- contingent consideration of acquirer in a business combination,
- held-for-trading, or,
- designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method .

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of financial liability.

The company's financial liabilities measured at amortized cost include accounts and other payables (less advances and VAT payable).

Derecognition of Financial Liabilities

The company derecognizes a financial liabilities when , and only when, the company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Notes to the Financial Statements for the year ended March 31, 2022

12. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

13. Derivative financial instruments

The company enters into a variety of derivative financial instruments to manage its exposure to interest rates and foreign exchange rate risks, including foreign exchange forward contracts, options and interest rate swaps.

Derivatives are recognised initially at fair value on the date a derivative agreement is entered into and are subsequently re-measured to their fair value on each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as financial liability. Derivatives are not offset in the financial statements unless the company has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months, and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets and current liabilities.

3.8 Provision for Employees' End of Service Indemnity

Estimated amounts required to cover employees' end of service indemnity at the date of statement of financial position are computed pursuant to the UAE Federal Law No. 8 of 1980 based on the employees' accumulated period of service and current remuneration at the date of statement of financial position.

The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

3.9 Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is premeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Notes to the Financial Statements for the year ended March 31, 2022

3.10 Current and Non- Current Classification

The company presents assets and liabilities in the statement of financial position based on current/non current classification.

An asset is current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle.
- held primarily for the purpose of trading.
- expected to be realized within 12 months after the reporting period.
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle.
- it is held primarily for the purpose of trading.
- it is due to be settled within 12 months after the reporting period.
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The company classifies all other liabilities as non-current.

3.11 Revenue Recognition

Revenue is recognized to the extent that the economic benefits will probably flow to the entity and can be reliably measured, regardless of when the payment is being made. Revenue is measured at their fair value of the consideration received or receivable, taking into account the contractually defined terms of payment and excluding discounts, rebates, returns, price adjustments and other transaction taxes or duties. The following specific criteria must also be met before revenue is recognised:

Revenue from contracts with customers

IFRS 15 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found across several Standards and Interpretations within IFRSs. It establishes a new five-step model that will apply to revenue arising from contracts with customers.

- Step 1 Identify the contract with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for each of those rights and obligations.
- Step 2 Identify the performance obligations in the contract; A performance obligation in a contract is a promise to transfer a good or service to the customer.
- Step 3 Determine the transaction price; Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods and services to a customer, excluding amounts collected on behalf of third parties.
- Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- Step 5 Recognize revenue as and when the Company satisfies a performance obligation.

Notes to the Financial Statements for the year ended March 31, 2022

Revenue from contracts with customers (continued)

The Company recognizes revenue over time if any one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance obligation completed to date.

In cases where the Company determined the performance obligations are satisfied at a point in time, revenue is recognized when control over the assets is transferred to the customer.

When the Company satisfies a performance obligation by delivering the promised goods and services, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized, this gives rise to a contract liability.

Revenue is measured at the fair value of consideration received or receivable, taking into account the contractually agreed terms of payment excluding taxes and duties. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent and has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue from trading

The companies contracts with customers for sale of Fiber Optic Products & Requisites generally include one performance obligation. The company has concluded that revenue from sale of goods should be recognized at the point in time when the control of goods is transferred to the customer, generally on delivery of goods. The company neither directs thee use of the goods nor it takes any benefits from the sold goods.

Revenue from services

The company is providing consultancy services and revenue against such services is recognized at a point in time upon completion and satisfies the performance obligation in line with the terms of contract with the customers.

3.12 Direct Expenses

Direct expenses include direct operating expenses incurred in generating the revenue. Expenses that are not immediately attributable to the generating of revenue are not included in the gross profit as reported. Direct expenses are recognized over the term that the associated revenue is recognized.

3.13 Finance Cost

Finance cost is recognized as an expense in the period in which it is incurred.

Notes to the Financial Statements for the year ended March 31, 2022

3.14 Value Added Tax

Output value-added tax related to sales is payable to tax authorities on the earlier of:

- collection of receivables from customers or
- delivery of goods or services to customers.

Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis. VAT related to sales and purchases is recognised in the statement of financial position on a gross basis- unless the company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously. Where provision has been made for the ECL of receivables, the impairment loss is recorded for the gross amount of the debtor, including VAT.

3.15 Accounts Receivable

Accounts receivable are stated at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

3.16 Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, bank balance and short term deposits with an original maturity of three months or less, net of outstanding bank overdrafts, if any.

3.17 Accounts Payable and Accruals

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether or not billed by the supplier.

3.18 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.19 Share Capital

Proceeds from issuance of ordinary shares are recognized as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

4 Significant Judgements and Estimated Uncertainty

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

Notes to the Financial Statements for the year ended March 31, 2022

4.1 Judgements

In the process of applying the company's accounting policies, which are described in note 3 to the financial statements, management has made the following judgments that have most significant effect on the amounts recognized in the financial statements (apart from those involving estimations, which are dealt with below:

4.1.1 Revenue Recognition

The management considers recognizing revenue over time; if one of the following criteria is met, otherwise, revenue will be recognized at a point in time:

- the customer simultaneously receives and consumes the benefits provided by the company's performance as the company performs;
- the company's performance creates or enhances an asset that the customer control as the asset is created or enhanced; or
- the company's performance does not create an asset with an alternative use to the entity, and the entity has an enforceable right to payment for performance completed to date.

4.1.2 Employees' End of Service Indemnity

Provision of employees' end of service indemnity is grouped as a non-current liability on the judgement that the employees of the company will be continued in the future periods irrespective of their visa expiry dates and other employment terms and conditions.

4.1.3 Contingencies

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognized on the balance sheet of the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

4.1.4 Impairment of Non Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indications exist, or when annual impairment testing for an asset is required, the company estimates the assets recoverable amount.

The fair value less costs of disposal calculating is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental cost for disposing of the asset.

The value in use calculation is based on a DCF model and requires estimation of the expected future cash flows from the asset (or of the cash-generating unit) in the forecast period and also to determine a suitable discount rate in order to calculate the present value of those cash flows. The discount rate reflects the current market assessment of the time value of money and the risks specific to the asset.

Notes to the Financial Statements for the year ended March 31, 2022

4.1.5 Impairment of Financial Assets

In measuring the expected credit loss allowance for financial assets measured at amortized cost, management uses the expected credit loss (ECL) model and assumptions about future economic conditions and credit behavior such as likelihood of customer defaulting. Management considers the following judgments and estimates:

- Development of ECL model, including formula and choice of inputs;
 - Determining the criteria if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime ECL basis and the quantitative assessments;
- The segmentation of financial assets when the ECL is assessed on a collective basis; and
 - Determination of association between macro economic scenarios and, economic inputs and their effect on probability of default (PDs), exposure at default (EADs) and loss given default (LGD); and
 - Selection of forward-looking macro economic scenarios and weightings, to drive the economic inputs into ECL models.

4.2 Key Sources of Estimation Uncertainty

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

4.2.1. Useful Lives of Property and Equipment

Property, plant and equipment are depreciated over their estimated useful lives, which is based on expected usage of assets and expected physical wear and tear which depends on operational factors. The management has not considered any residual value as it is deemed immaterial.

5 PROPERTY, PLANT AND EQUIPMENT

Particulars	(in United Arab Emirates Dirhams)			
	Office Equipments	IT Equipments	Furniture & Fixtures	Total
Cost				
As on 31 March, 2021	-	-	174,579	174,579
Addition during the Year	42,760	63,054	557,906	663,720
As on 31 March, 2022	42,760	63,054	732,485	838,299
Accumulated depreciation				
As on 31 March, 2021	-	-	9,922	9,922
Charge for the Year	4,063	9,156	73,128	86,347
As on 31 March, 2022	4,063	9,156	83,050	96,269
Net Book Value				
As on 31 March, 2022	38,697	53,898	649,435	742,030
As on 31 March, 2021	-	-	164,657	164,657

The Company reviews the carrying value of its fixed assets for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The impairment is measured as the amount by which the carrying value exceeds the fair value of the asset as determined by an estimate of undiscounted cash flows.

STERLITE TECHNOLOGIES DMCC

Notes to the Financial Statements for the year ended March 31, 2022

	31-Mar-22 (in AED)	31-Mar-21 (in AED)
6 CAPITAL WORK-IN-PROGRESS		
Office Infrastructure	-	467,786
	<u>-</u>	<u>467,786</u>
7 DEPOSITS, ADVANCES & PREPAYMENTS		
Security Deposits	4,994	4,994
Other Advances	427,248	416,363
Salary	417,084	-
Prepayments	805,298	973,386
	<u>1,654,624</u>	<u>1,394,744</u>
8 OTHER RECEIVABLES		
Unbilled revenue	706,665	-
VAT Refundable	33,964	-
Leave Salary	25,026	-
Other Receivables	19,187	7,861
	<u>784,842</u>	<u>7,861</u>
9 BANK BALANCES		
CITI Bank (USD)	2,623,499	2,329,948
CITI Bank (AED)	40,183	458,654
	<u>2,663,682</u>	<u>2,788,602</u>

10 RELATED PARTIES

The company enters into transactions with parties that fall within the definition of a related party as contained in International Accounting Standard 24. Related parties include the shareholders, key management personnel, subsidiaries, associates, joint ventures and any business which are controlled directly or indirectly by the company or over which they exercise significant management influence. The balance due from such parties, which have been disclosed separately in the financial statements, are unsecured, interest free and are repayable on demand.

Related party balances are as under:

10.1 Due from Related Party	Nature of Relationship		
Sterlite Technologies Limited	Holding Company	3,901,591	1,017,434
		<u>3,901,591</u>	<u>1,017,434</u>

* Due from related party represents the income receivable for project management services provided to the Indian parent company, as per transfer pricing rules.

STERLITE TECHNOLOGIES DMCC

Notes to the Financial Statements for the year ended March 31, 2022

10 RELATED PARTIES (continued)

10.2 Loan from Related Party	Nature of Relationship		
Sterlite Technologies Limited	Holding Company	5,054,856	3,774,252
		<u>5,054,856</u>	<u>3,774,252</u>

10.3 Due to Related Party	Nature of Relationship		
Elitecore Technologies (Mauritius) Ltd	Subsidiary of Holding Company	384,075	-
		<u>384,075</u>	<u>-</u>

11 EMPLOYEES END OF SERVICE BENEFITS

Opening balance	10,008	-
Add: Provided during the Year	92,767	10,008
Less: Settlement during the Year	(50,455)	-
Closing Balance	<u>52,320</u>	<u>10,008</u>

12 TRADE & OTHER PAYABLES

Accounts Payable	1,012,735	1,101,490
Unearned Revenue	3,038,729	2,224,481
	<u>4,051,464</u>	<u>3,325,971</u>

13 ACCRUALS

Staff & Social Debts Payable	110,979	94,685
	<u>110,979</u>	<u>94,685</u>

31-Mar-22	From 06-Jul-20 to 31-Mar-21
AED	AED

14 REVENUE

Sales Revenue	11,284,380	709,444
Other Income	4,886,437	1,017,434
	<u>16,170,817</u>	<u>1,726,878</u>

* Other Income represents the income from Indian parent company, Sterlite Technologies Limited, for project management services provided, as per transfer pricing rules.

The geographical analysis of revenue for the year/ period as follows:

Within UAE	-	-
Outside UAE	16,170,817	1,726,878
	<u>16,170,817</u>	<u>1,726,878</u>

15 COST OF REVENUE

Purchases and other Direct Expenses	3,590,884	449,919
	<u>3,590,884</u>	<u>449,919</u>

STERLITE TECHNOLOGIES DMCC

Notes to the Financial Statements for the year ended March 31, 2022

	31-Mar-22	From 06-Jul-20 to 31-Mar-21
	AED	AED
16 GENERAL, SELLING & ADMINISTRATIVE EXPENSES		
Salaries and other Employee Benefits	6,753,111	1,956,385
License, Legal and Professional Expenses	133,404	82,281
Rent	102,839	41,355
Sales Commission	1,364,096	218,404
Sales Promotion Expenses	2,944	-
Marketing Expenses	971,065	-
Printing & Stationery	3,726	2,507
Insurance	543,162	117,079
Travelling & Conveyance	843,902	62,903
Utilities & Communication	124,534	31,057
Postage & Courier Charges	10,236	2,955
Other Expenses	147,229	63,869
Staff Welfare Expenses	59,985	-
Depreciation (Note No. 5)	86,347	9,922
Repairs & Maintenance	-	60,250
	11,146,580	2,648,967
17 FINANCE COSTS		
Bank Charges	42,886	5,142
Interest Expense	-	27,127
	42,886	32,269
18 FINANCIAL INSTRUMENTS		

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed in note 3 to the financial statements.

Fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis.

	As at March 31 2022	As at March 31 2021
	(AED)	(AED)
Financial Assets		
Deposits & Advances	849,326	421,357
Other Receivables	784,842	7,861
Due from Related Party	3,901,591	1,017,434
Bank Balances	2,663,682	2,788,602
	8,199,441	4,235,254

Notes to the Financial Statements for the year ended March 31, 2022

	As at March 31	As at March 31
	2022	2021
	(AED)	(AED)
18 FINANCIAL INSTRUMENTS (continued)		
<i>Financial Liabilities</i>		
Due to Related Party	384,075	-
Trade & Other Payables	4,051,464	3,325,971
Accruals	110,979	94,685
	4,546,518	3,420,656

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the shareholder through the optimization of the debt and equity balance. The Company started its commercial operations with effect from 06th July 2020 and its overall strategy remains unchanged for the period under review.

The capital structure of the Company consists of cash and cash equivalents, debts and equity attributable to shareholder, comprising of share capital and retained earnings .

19 RISK MANAGEMENT**19.1 Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company was not exposed to any interest rate risk as there were no interest-bearing assets or liabilities as at the reporting date.

19.2 Credit risk

Financial assets that potentially expose the Company to concentrations of credit risk comprise principally bank balances and trade and other receivables.

Credit risk relating to trade receivables is managed by assessing the creditworthiness of potential customers and the potential for exposure to the market in which the operate, combined with regular monitoring and follow-up.

The Company's bank accounts are placed with high credit quality financial institutions.

19.3 Liquidity Risk

Liquidity risk is the risk that the Company may not have sufficient liquid funds to meet its liabilities as they fall due. Prudent liquidity risk management requires maintaining sufficient cash and the availability of funding to meet obligations when due.

19.4 Foreign Currency Risk

Foreign currency risk is the risk that an adverse movement in currency exchange rates can affect the financial performance of the Company and can arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured.

20 FAIR VALUE

The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair value of the financial assets and financial liabilities which are required to be carried at cost or at amortized cost approximates to their carrying values.

Notes to the Financial Statements for the year ended March 31, 2022

21 SEGMENT INFORMATION

Operating segments:

Information regarding the company's operating segments is set out below in accordance with the IFRS 8 "Operating Segments". The management of the company assessed the company into the following key business segment: Software House, Network Consultancies, Information Technology Consultants and Fiber Optic Products & Requisites Trading.

These businesses are the basis on which the company reports its primary segment information to the chief operating decision-maker for the purpose of resource allocation and assessment of segment performance. Transaction between segments are conducted at estimated market rates on an arm's length basis and eliminated on consolidation.

22 CONTINGENCIES AND COMMITMENTS

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability or commitment on Company's financial statements as of financial position date.

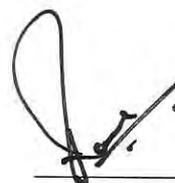
23 DATE OF AUTHORIZATION

These financial statements were authorized for issue by the director's of the Company on 20 June, 2022.

For Sterlite Technologies DMCC



Mr. Gavin Andrew Faulds
Director



Mr. Rahul Puri
Director



IND AS for STL_Australia As at 31-Mar-2022 (Amounts Scaled to 1)

(Conversion Rate - B\$ Rate = 56.77000000 / A\$ Rate = 55.00000000)

Balance Sheet	Note	STL_Australia	STL_Australia
		AUD	INR
ASSETS			
Current assets			
Inventories	13	730,479.06	41,469,296.24
Financial Assets			
Investments	12	-	-
Trade receivables	8	682,011.85	38,717,812.73
Loans	9	-	-
Cash and cash equivalents	14A	229,372.92	13,021,500.67
Other Bank balances	14B	-	-
Other Current Financial Assets	10	-	-
Other current assets	11	16,857.38	956,993.46
Total current assets		1,658,721.21	94,165,603.10
Total Assets		1,658,721.21	94,165,603.10
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	100.00	5,699.00
Other Equity	16	176,391.48	9,715,749.51
Total Equity		176,491.48	9,721,448.51
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	17	481,724.03	27,645,446.00
Other financial liabilities	18	-	-
Employee benefit obligations	21	-	-
Provisions	22	-	-
Other non-current liabilities	24	-	-
Deferred tax liabilities (Net)	20	-	-
Total Non-Current liabilities		481,724.03	27,645,446.00
Current liabilities			
Financial Liabilities			
Borrowings	17	-	-
Trade payables	23	801,080.08	45,477,316.14
Other financial liabilities	18	-	-
Other current liabilities	24	133,923.15	7,602,817.23
Employee benefit obligations	21	-	-
Provisions	22	-	-
Current tax liabilities (Net)		65,502.47	3,718,575.22
Total current liabilities		1,000,505.70	56,798,708.59
Total Equity and Liabilities		1,658,721.21	94,165,603.10

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IND AS for STL_Australia For the period year ended 31-Mar-2022 (Amounts Scaled to ')

Conversion Rate: B/ INR = 14.77000000 PL Rate = 1/0.07000000

Profit and Loss	Note	STL_Australia	STL_Australia
		AUD	INR
INCOME			
Revenue from operations	24	1,591,146.11	87,624,416.28
Other Income	25	881,166.26	48,525,825.94
Total Income (I)		2,472,312.37	136,150,242.22
EXPENSES			
Cost of raw material and components consumed	27	1,888,072.48	105,102,771.76
Purchase of traded goods			-
Changes in inventories of finished goods, work-in-progress, traded goods and construction work-in-progress		(492,965.40)	(28,274,224.86)
Employee benefits expense	28	510,843.47	28,132,149.90
Other expenses	29	334,324.70	18,411,261.22
Total Expense (II)		2,240,275.25	123,371,958.02
Earnings before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		232,037.12	12,778,284.20
Depreciation and amortisation expense	30	-	-
Finance costs	31	9,987.27	549,998.96
Finance Income	26	177.24	9,760.61
Profit before tax & share in profit/(loss) of joint venture		222,227.09	12,238,045.85
Profit before tax		222,227.09	12,238,045.85
Tax expense			
Current tax		66,668.13	3,671,413.92
Deferred tax	34	-	-
Total tax expenses		66,668.13	3,671,413.92
Profit from continuing operations		155,558.96	8,566,631.93
Profit for the year		155,558.96	8,566,631.93
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations			55,910.43
Net other comprehensive income to be reclassified to profit or loss in subsequent periods			55,910.43
Other comprehensive income for the year, net of tax			55,910.43
Total comprehensive income for the year, net of tax		155,558.96	8,622,542.36
Profit for the year			
Attributable to:			
Owners of the company		155,558.96	8,566,631.93
		155,558.96	8,566,631.93
Other comprehensive income			
Attributable to:			
Owners of the company			55,910.43
			55,910.43
Total comprehensive income			
Attributable to:			
Owners of the company		155,558.96	8,622,542.36
		155,558.96	8,622,542.36
Total comprehensive income attributable to owners:			
Continuing Operations		155,558.96	8,622,542.36
		155,558.96	8,622,542.36

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IND AS for STH_Inc As at 31-Mar-2022 (Amounts Scaled to ')			
Conversion Rate - BS Rate = 75.90000000 PL Rate = 74.49000000			
Balance Sheet	Note	STH_Inc	STH_Inc
		USD	INR
ASSETS			
Non-current assets			
Financial Assets			
Trade Receivables	<u>8</u>	-	-
Loans	<u>9</u>	4,703,342.45	356,983,691.96
Other Non Current Financial Assets	<u>10</u>	-	-
Other Non-current assets	<u>11</u>	-	-
Total Non-Current assets		4,703,342.45	356,983,691.96
Total Assets		4,703,342.45	356,983,691.96
EQUITY AND LIABILITIES			
Equity			
Equity share capital	<u>15</u>	-	-
Other Equity	<u>16</u>	(337,405.43)	(24,354,470.06)
Total Equity		(337,405.43)	(24,354,470.06)
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	<u>17</u>	5,040,747.88	381,338,162.02
Other financial liabilities	<u>18</u>	-	-
Employee benefit obligations	<u>21</u>	-	-
Provisions	<u>22</u>	-	-
Other non-current liabilities	<u>24</u>	-	-
Deferred tax liabilities (Net)	<u>20</u>	-	-
Total Non-Current liabilities		5,040,747.88	381,338,162.02
Total Equity and Liabilities		4,703,342.45	356,983,691.96

IND AS for STH_Inc For the period year ended 31-Mar-2022 (Amounts Scaled to ')			
Conversion Rate - BS Rate = 75,90000000 PL Rate = 74,49000000			
Profit and Loss	Note	STH_Inc	STH_Inc
		USD	INR
EXPENSES			
Cost of raw material and components consumed	27		-
Purchase of traded goods			-
Changes in inventories of finished goods, work-in-progress, traded goods and construction work-in-progress			-
Employee benefits expense	28		-
Other expenses	29	(11,000.00)	(819,390.00)
Total Expense (ii)		(11,000.00)	(819,390.00)
Earnings before interest, tax, depreciation and amortisation (EBITDA) (i) - (ii)		11,000.00	819,390.00
Depreciation and amortisation expense	30		-
Finance costs	31	99,006.36	6,279,395.12
Finance Income	26		-
Profit before tax & share in profit/(loss) of joint venture		(88,006.36)	(5,460,005.12)
Profit before tax		(88,006.36)	(5,460,005.12)
Profit from continuing operations		(88,006.36)	(5,460,005.12)
Profit for the year		(88,006.36)	(5,460,005.12)
Total comprehensive income for the year, net of tax		(88,006.36)	(5,460,005.12)
Profit for the year			
Attributable to:			
Owners of the company		(88,006.36)	(5,460,005.12)
		(88,006.36)	(5,460,005.12)
Other comprehensive income			
Attributable to:			
Total comprehensive income			
Attributable to:			
Owners of the company		(88,006.36)	(5,460,005.12)
		(88,006.36)	(5,460,005.12)
Total comprehensive income attributable to owners:			
Continuing Operations		(88,006.36)	(5,460,005.12)

Signature

Report of the Directors and
Financial Statements for the Year Ended 31 March 2022
for
STERLITE TECHNOLOGIES UK VENTURES LTD

STERLITE TECHNOLOGIES UK VENTURES LTD

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FOR THE YEAR ENDED 31 MARCH 2022

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STERLITE TECHNOLOGIES UK VENTURES LTD

Company Information
FOR THE YEAR ENDED 31 MARCH 2022

DIRECTORS:

A Agarwal
K S Rao
R Puri

REGISTERED OFFICE:

Unit 5, Kingfisher House
Crayfields Business Park
New Mill Road
Orpington
BR5 3QG

REGISTERED NUMBER:

08550019 (England and Wales)

AUDITORS:

Butler & Co LLP
Chartered Accountants
& Statutory Auditor
Third Floor
126-134 Baker Street
London
W1U 6UE

STERLITE TECHNOLOGIES UK VENTURES LTD

Report of the Directors
FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report with the financial statements of the company for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of an investment company and optical fibre infrastructure, passive infrastructure, access networks, FTTH.

REVIEW OF BUSINESS

The Company has invested in Sterlite Condu spar Industrial LTDA, a 58% Joint Venture in Brazil. The Brazilian company is a manufacturer and trader of Optical Fibre Cables.

STL was extremely active for the last 14 yrs in the UK market supporting with our expertise in optical connectivity products and in the last 3 yrs we have made series of significant investments, both organic as well as through 2 acquisitions to bolster our capabilities to deliver end to end digital networks and data centres across UK. We are proud to say that within a year of inception as an end to end digital networks integrator in the UK, STL are the proud partners to major incumbents and few key alternative networks provides in delivering their digital networks in world class quality and timelines.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

A Agarwal
K S Rao

Other changes in directors holding office are as follows:

K Rowley - resigned 1 September 2021
R Puri - appointed 24 August 2021

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

STERLITE TECHNOLOGIES UK VENTURES LTD

Report of the Directors
FOR THE YEAR ENDED 31 MARCH 2022

AUDITORS

The auditors, Butler & Co LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

R Puri - Director



27 April 2022

**Report of the Independent Auditors to the Members of
Sterlite Technologies UK Ventures Ltd**

Opinion

We have audited the financial statements of Sterlite Technologies UK Ventures Ltd (the 'company') for the year ended 31 March 2022 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Sterlite Technologies UK Ventures Ltd**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of
Sterlite Technologies UK Ventures Ltd

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 a Report of the Auditors 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 (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

- Enquiries of management, concerning the company's policies and procedures relating to:
 - o Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
 - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.

- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

- o Performed analytical procedures to identify any unusual relationships.
- o Tested journal entries to identify unusual transactions.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in.

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sanjeev Phadke (Senior Statutory Auditor)
for and on behalf of Butler & Co LLP
Chartered Accountants
& Statutory Auditor
Third Floor
126-134 Baker Street
London
W1U 6UE



27 April 2022

STERLITE TECHNOLOGIES UK VENTURES LTD

Income Statement
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
TURNOVER		3,142,308	-
Cost of sales		<u>1,892,755</u>	<u>-</u>
GROSS PROFIT		1,249,553	-
Administrative expenses		<u>5,703,326</u>	<u>169,491</u>
OPERATING LOSS	4	(4,453,773)	(169,491)
Interest receivable and similar income		<u>1,470</u>	<u>-</u>
		(4,452,303)	(169,491)
Interest payable and similar expenses		<u>146,593</u>	<u>22,869</u>
LOSS BEFORE TAXATION		(4,598,896)	(192,360)
Tax on loss	5	<u>(900,169)</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u><u>(3,698,727)</u></u>	<u><u>(192,360)</u></u>

The notes form part of these financial statements

STERLITE TECHNOLOGIES UK VENTURES LTD (REGISTERED NUMBER: 08550019)

Balance Sheet
31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Intangible assets	6		205,000		-
Tangible assets	7		187,360		36,729
Investments	8		2,118,243		2,100,676
			<u>2,510,603</u>		<u>2,137,405</u>
CURRENT ASSETS					
Stocks		21,336		-	
Debtors	9	4,043,854		42,406	
Cash at bank		601,602		13,757	
		<u>4,666,792</u>		<u>56,163</u>	
CREDITORS					
Amounts falling due within one year	10	846,159		69,668	
NET CURRENT ASSETS/(LIABILITIES)			<u>3,820,633</u>		<u>(13,505)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,331,236</u>		<u>2,123,900</u>
CREDITORS					
Amounts falling due after more than one year	11		10,404,781		2,498,718
NET LIABILITIES			<u>(4,073,545)</u>		<u>(374,818)</u>
CAPITAL AND RESERVES					
Called up share capital	12		3,150		3,150
Retained earnings	13		(4,076,695)		(377,968)
SHAREHOLDERS' FUNDS			<u>(4,073,545)</u>		<u>(374,818)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were authorised for issue by the Board of Directors and authorised for issue on 27 April 2022 and were signed on its behalf by:

R Puri - Director



The notes form part of these financial statements

STERLITE TECHNOLOGIES UK VENTURES LTD

Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2022

1. STATUTORY INFORMATION

Sterlite Technologies UK Ventures Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis on the assumption that the company will continue to trade in the foreseeable future. The Directors, having made appropriate enquiries, consider that adequate resources exist for the company to continue in operational existence for the foreseeable future; and with the continued support of the company's shareholders, the company will be able to meet its liabilities as they fall due for payment. Therefore, the directors are of the opinion that it is appropriate to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2022.

Since the financial year end, there are uncertainties relating to COVID19 pandemic. No provisions have been made in the financial statements in relation to these uncertainties.

Key sources of estimation uncertainty and judgements

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgement that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reported period.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2021, is being amortised evenly over its estimated useful life of five years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 50% on cost
Fixtures and fittings	- 2 years
Computer equipment	- 2 years

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

STERLITE TECHNOLOGIES UK VENTURES LTD

Notes to the Financial Statements - continued **FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

Financial instruments policy

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts which are an integral part of the company's cash management.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 67 (2021 - 12).

STERLITE TECHNOLOGIES UK VENTURES LTD

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2022

4. OPERATING LOSS

The operating loss is stated after charging:

	2022	2021
	£	£
Depreciation - owned assets	169,725	1,484
Goodwill amortisation	35,000	-
	<u>169,725</u>	<u>1,484</u>

5. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2022	2021
	£	£
Deferred tax	(900,169)	-
Tax on loss	(900,169)	-
	<u>(900,169)</u>	<u>-</u>

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
Additions	240,000
At 31 March 2022	<u>240,000</u>
AMORTISATION	
Charge for year	35,000
At 31 March 2022	<u>35,000</u>
NET BOOK VALUE	
At 31 March 2022	<u>205,000</u>

STERLITE TECHNOLOGIES UK VENTURES LTD

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2022

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2021	-	6,713	-	31,500	38,213
Additions	174,284	4,071	41,945	100,056	320,356
At 31 March 2022	<u>174,284</u>	<u>10,784</u>	<u>41,945</u>	<u>131,556</u>	<u>358,569</u>
DEPRECIATION					
At 1 April 2021	-	883	-	601	1,484
Charge for year	112,039	4,724	10,486	42,476	169,725
At 31 March 2022	<u>112,039</u>	<u>5,607</u>	<u>10,486</u>	<u>43,077</u>	<u>171,209</u>
NET BOOK VALUE					
At 31 March 2022	<u>62,245</u>	<u>5,177</u>	<u>31,459</u>	<u>88,479</u>	<u>187,360</u>
At 31 March 2021	<u>-</u>	<u>5,830</u>	<u>-</u>	<u>30,899</u>	<u>36,729</u>

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2021	2,100,676
Additions	17,567
At 31 March 2022	<u>2,118,243</u>
NET BOOK VALUE	
At 31 March 2022	<u>2,118,243</u>
At 31 March 2021	<u>2,100,676</u>

The above investment represents a 58% holding in Sterlite Conduspar Industrial LTDA, a company incorporated in Brazil.

These financial statements contain information about Sterlite Technologies UK Ventures Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 401 of the Companies Act 2006 as the company itself is a subsidiary undertaking and its parent undertaking is not established under the law of an EEA state. The company is included in consolidated accounts of its parent company.

STERLITE TECHNOLOGIES UK VENTURES LTD

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2022

13. RESERVES

	Retained earnings £
At 1 April 2021	(377,968)
Deficit for the year	<u>(3,698,727)</u>
At 31 March 2022	<u><u>(4,076,695)</u></u>

14. RELATED PARTY DISCLOSURES

As at 31 March 2021 the company owed a sum of £10,404,781 (2021: £2,498,718) to Sterlite Technologies Ltd (the ultimate parent company). Interest payable on this loan was £146,593 (2021: £22,869).

There are no fixed terms as to repayment of these balances.

15. PARENT COMPANY

The company is wholly-owned subsidiary of Sterlite Technologies Limited a company incorporated in India.

The group accounts and copies of these can be obtained from the companies website www.stl.tech.

STERLITE TECHNOLOGIES UK VENTURES LTD

Trading and Profit and Loss Account
FOR THE YEAR ENDED 31 MARCH 2022

	2022		2021	
	£	£	£	£
Sales		3,142,308		-
Cost of sales				
Other direct costs	439,695		-	
Sub contractors	1,453,060		-	
		<u>1,892,755</u>		<u>-</u>
GROSS PROFIT		1,249,553		-
Other income				
Interest on loan		1,470		-
		<u>1,251,023</u>		<u>-</u>
Expenditure				
Rent	262,840		-	
Rates and water	23,772		5,198	
Insurance	124,838		1,451	
Wages	3,148,628		60,296	
Social security	342,070		6,907	
Pensions	98,801		4,807	
Telephone	56,839		365	
Post and stationery	4,447		2,922	
Advertising	49,595		-	
Travelling	348,788		-	
Motor expenses	533		1,688	
Training & Seminar	168,467		2,223	
Repairs and renewals	57,253		4,393	
Staff Welfare	32,800		242	
Office Maintenance	27,484		20,739	
Recruitment expenses	134,097		14,390	
Computer costs	66,086		7,091	
Sundry expenses	13,876		33	
Accountancy	9,886		1,200	
Subscriptions	9,285		195	
Legal and Professional fees	489,675		22,544	
Auditors' remuneration	13,700		5,033	
Foreign exchange losses	2,427		5,702	
		<u>5,486,187</u>		<u>167,419</u>
		(4,235,164)		(167,419)
Finance costs				
Bank charges	12,414		588	
Other interest	146,593		22,869	
		<u>159,007</u>		<u>23,457</u>
Carried forward		(4,394,171)		(190,876)

This page does not form part of the statutory financial statements

STERLITE TECHNOLOGIES UK VENTURES LTD

Trading and Profit and Loss Account
FOR THE YEAR ENDED 31 MARCH 2022

	2022		2021	
	£	£	£	£
Brought forward		(4,394,171)		(190,876)
Depreciation				
Goodwill	35,000		-	
Plant and machinery	112,039		601	
Fixtures and fittings	4,724		883	
Motor vehicles	10,486		-	
Computer equipment	42,476		-	
	<u> </u>	<u>204,725</u>	<u> </u>	<u>1,484</u>
NET LOSS		<u><u>(4,598,896)</u></u>		<u><u>(192,360)</u></u>

This page does not form part of the statutory financial statements

Report of the Directors and
Financial Statements for the Period 3 May 2021 to 31 March 2022
for
STL UK HOLDCO LIMITED

STL UK HOLDCO LIMITED

Contents of the Financial Statements
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

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STL UK HOLDCO LIMITED

Company Information
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

DIRECTORS: K S Rao
P S K Aggarwal

REGISTERED OFFICE: Third Floor
126-134 Baker Street
London
W1U 6UE

REGISTERED NUMBER: 13370973 (England and Wales)

AUDITORS: Butler & Co LLP
Chartered Accountants
& Statutory Auditor
Third Floor
126-134 Baker Street
London
W1U 6UE

STL UK HOLDCO LIMITED

Report of the Directors **FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022**

The directors present their report with the financial statements of the company for the period 3 May 2021 to 31 March 2022.

INCORPORATION

The company was incorporated on 3 May 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of an investment holding company

REVIEW OF BUSINESS

On 27th July 2021, the company acquired a 80% stake in Clearcomm Group Limited, a company incorporated in England and involved in the telecommunications sector.

The company made a loss of £266,444 in the reporting period. However, the directors are satisfied that the investment in Clearcomm Group Limited will produce returns that will enable the company to recoup the loss suffered.

DIRECTORS

The directors shown below have held office during the whole of the period from 3 May 2021 to the date of this report.

K S Rao
P S K Aggarwal

Both the directors, being eligible, offer themselves for election at the forthcoming first Annual General Meeting.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Butler & Co LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

STL UK HOLDCO LIMITED

Report of the Directors
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
K S Rao - Director

Date: 18 JULY 2022
.....

Report of the Independent Auditors to the Members of
STL UK HoldCo Limited

Opinion

We have audited the financial statements of STL UK HoldCo Limited (the 'company') for the period ended 31 March 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
STL UK HoldCo Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of
STL UK HoldCo Limited

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 a Report of the Auditors 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 (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

- Enquiries of management, concerning the company's policies and procedures relating to:

- o Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
- o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.

- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

- o Performed analytical procedures to identify any unusual relationships.
- o Tested journal entries to identify unusual transactions.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in.

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Sanjeev Phadke (Senior Statutory Auditor)
for and on behalf of Butler & Co LLP
Chartered Accountants
& Statutory Auditor
Third Floor
126-134 Baker Street
London
W1U 6UE



Date: 18 July 2022

STL UK HOLDCO LIMITED

Income Statement
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

	Notes	£
TURNOVER		-
Administrative expenses		<u>136,871</u>
OPERATING LOSS		(136,871)
Interest receivable and similar income		<u>14,850</u>
		(122,021)
Interest payable and similar expenses	3	<u>202,471</u>
LOSS BEFORE TAXATION		(324,492)
Tax on loss	4	<u>(58,051)</u>
LOSS FOR THE FINANCIAL PERIOD		<u>(266,441)</u>

The notes form part of these financial statements

STL UK HOLDCO LIMITED

Other Comprehensive Income
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

	Notes	£
LOSS FOR THE PERIOD		(266,441)
OTHER COMPREHENSIVE INCOME		<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u><u>(266,441)</u></u>

The notes form part of these financial statements

STL UK HOLDCO LIMITED (REGISTERED NUMBER: 13370973)

Balance Sheet
31 MARCH 2022

	Notes	£	£
FIXED ASSETS			
Investments	5		10,724,471
CURRENT ASSETS			
Debtors	6	2,062,851	
Cash at bank		107,765	
		<u>2,170,616</u>	
CREDITORS			
Amounts falling due within one year	7	10,661,528	
		<u>10,661,528</u>	
NET CURRENT LIABILITIES			<u>(8,490,912)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,233,559</u>
CAPITAL AND RESERVES			
Called up share capital	11		2,500,000
Retained earnings	12		(266,441)
			<u>2,233,559</u>
SHAREHOLDERS' FUNDS	14		<u>2,233,559</u>

The financial statements were authorised for issue by the Board of Directors and authorised for issue on 18 July 2022 and were signed on its behalf by:



.....
K S Rao - Director

The notes form part of these financial statements

STL UK HOLDCO LIMITED

Statement of Changes in Equity
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	2,500,000	-	2,500,000
Total comprehensive income	-	(266,441)	(266,441)
Balance at 31 March 2022	<u>2,500,000</u>	<u>(266,441)</u>	<u>2,233,559</u>

The notes form part of these financial statements

STL UK HOLDCO LIMITED

Notes to the Financial Statements
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

1. STATUTORY INFORMATION

STL UK HoldCo Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Preparation of consolidated financial statements

The financial statements contain information about STL UK HoldCo Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Sterlite Technologies Limited, India, E1,MIDC Industrial Area, Waluj,Aurangabad,Maharashtra.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Key sources of estimation uncertainty and judgements

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgement that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reported period.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts which are an integral part of the company's cash management.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

STL UK HOLDCO LIMITED

Notes to the Financial Statements - continued
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	£
Bank loan interest	190,931
Loan	11,540
	<u>202,471</u>

4. **TAXATION**

Analysis of the tax credit

The tax credit on the loss for the period was as follows:

	£
Deferred tax	(58,051)
Tax on loss	<u>(58,051)</u>

UK corporation tax has been charged at 19%.

Reconciliation of total tax credit included in profit and loss

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	£
Loss before tax	<u>(324,492)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19%	(61,653)
Effects of:	
Other	<u>3,602</u>
Total tax credit	<u>(58,051)</u>

STL UK HOLDCO LIMITED

Notes to the Financial Statements - continued
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

5. FIXED ASSET INVESTMENTS	Shares in group undertakings £
COST	
Additions	10,724,471
At 31 March 2022	<u>10,724,471</u>
NET BOOK VALUE	
At 31 March 2022	<u>10,724,471</u>

The company holds 896 A Ordinary shares in Clearcomm Group Limited, a company incorporated in England. This represents an 80% holding in the subsidiary.

6. DEBTORS	£
Amounts falling due within one year:	
Deferred tax asset	
Tax losses carried forward	58,051
	<u>58,051</u>
Amounts falling due after more than one year:	
Amounts owed by group undertakings	2,004,800
	<u>2,004,800</u>
Aggregate amounts	<u>2,062,851</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	£
Bank loans and overdrafts (see note 8)	9,250,000
Loan from related parties	1,411,528
	<u>10,661,528</u>

8. LOANS	
An analysis of the maturity of loans is given below:	
	£
Amounts falling due within one year or on demand:	
Bank loans	9,250,000
	<u>9,250,000</u>

The bank loan from Exim Bank of India has a term of 7 years and interest is charged and payable quarterly at SONIA+ 280 bps per annum. The loan is to be repaid in 11 structured half-yearly instalments commencing from 30th July 2023.

STL UK HOLDCO LIMITED

Notes to the Financial Statements - continued
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

9. SECURED DEBTS

The following secured debts are included within creditors:

Bank loans	£ 9,250,000
------------	----------------

The bank has received unconditional and irrevocable corporate guarantees from Sterlite Technologies Limited (parent of STL Holdco UK Limited) and Clearcomm Group (subsidiary of STL Holdco UK Limited).

The bank also has a first charge over the entire current assets of Clearcomm Group Limited and pledge of shares held by STL Holdco UK Limited in Clearcomm Group Limited.

10. DEFERRED TAX

Provided during period	£ (58,051)
Balance at 31 March 2022	<u>(58,051)</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
2,500,000	Ordinary	£1	<u>2,500,000</u>

2,500,000 Ordinary shares of £1 each were allotted and fully paid for cash at par during the period.

12. RESERVES

	Retained earnings £
Deficit for the period	<u>(266,441)</u>
At 31 March 2022	<u>(266,441)</u>

13. ULTIMATE CONTROLLING PARTY

The company is wholly-owned subsidiary of Sterlite Technologies Limited a company incorporated in India.

The group accounts and copies of these can be obtained from the companies website www.stl.tech.

STL UK HOLDCO LIMITED

Notes to the Financial Statements - continued
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	
	£
Loss for the financial period	(266,441)
New share capital subscribed	2,500,000
	<hr/>
Net addition to shareholders' funds	2,233,559
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	2,233,559
	<hr/> <hr/>
Equity interests	2,233,559
	<hr/> <hr/>

STL UK HOLDCO LIMITED

Detailed Profit and Loss Account
FOR THE PERIOD 3 MAY 2021 TO 31 MARCH 2022

	£	£
Income		-
Other income		
Interest on related party loan		14,850
		<u>14,850</u>
Expenditure		
Legal fees		135,504
		<u>(120,654)</u>
Finance costs		
Bank charges	1,367	
Bank loan interest	190,931	
Loan	11,540	
	<u>203,838</u>	
NET LOSS		<u><u>(324,492)</u></u>

This page does not form part of the statutory financial statements

Company Registration No. 07038550 (England and Wales)

IMPACT DATA SOLUTIONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



Sobell Rhodes LLP
The Kinetic Centre
Theobald Street
Elstree
Borehamwood
Hertfordshire
WD6 4PJ

IMPACT DATA SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	B R J Parker K S Rao P Aggarwal
Company number	07038550
Registered office	C/O Sobell Rhodes LLP The Kinetic Centre Theobald Street Elstree, Borehamwood Hertfordshire United Kingdom WD6 4PJ
Auditor	Sobell Rhodes LLP The Kinetic Centre Theobald Street Elstree Borehamwood Hertfordshire United Kingdom WD6 4PJ

IMPACT DATA SOLUTIONS LIMITED

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IMPACT DATA SOLUTIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be that of structural cabling installation.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B R J Parker
K S Rao
P Aggarwal

Auditor

In accordance with the company's articles, a resolution proposing that Sobell Rhodes LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

.....

B R J Parker
Director

Date:

IMPACT DATA SOLUTIONS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

IMPACT DATA SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IMPACT DATA SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Impact Data Solutions Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

IMPACT DATA SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF IMPACT DATA SOLUTIONS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

IMPACT DATA SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF IMPACT DATA SOLUTIONS LIMITED

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We enquired of Management to obtain an understanding of the legal and regulatory frameworks that are applicable to the Company. The most significant that are relevant to the Company are United Kingdom Generally Accepted Accounting Practice, The Companies Act 2006 and the tax legislation in respect of Corporation tax, VAT and PAYE. We understood how the Company complies with these through enquiries of management and asked of any instances of non-compliance in these areas.

We assessed the susceptibility of the Company's financial statements to material misstatements, including how fraud might occur through enquiries of Management and to understand where they considered there was susceptibility to fraud. We obtained an understanding of the controls that the Company has established to address the risk to prevent, deter, and detect fraud.

Based on this understanding we designed our audit procedures to detect irregularities including fraud which primarily consisted of the following:

1. Identifying and testing of journal entries including large and unusual transactions to understand their rationale.
2. Enquiries of management and those charged with governance on instances any known fraud and around actual and potential litigation claims.
3. Enquiries of the tax engagement team that are independent of the audit team for instances of non-compliance.

The Senior Statutory Auditor reviewed the experience and expertise of the audit engagement team to ensure that they had the appropriate competence and capabilities to identify any instances of fraud and non-compliance with the relevant laws and regulations.

The objective of our audit, in respect to fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risk of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

IMPACT DATA SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF IMPACT DATA SOLUTIONS LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Adam Shelley (Senior Statutory Auditor)

For and on behalf of Sobell Rhodes LLP

Date:

Chartered Accountants

Statutory Auditor

The Kinetic Centre
Theobald Street
Elstree
Borehamwood
Hertfordshire
United Kingdom
WD6 4PJ

IMPACT DATA SOLUTIONS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Turnover	9,441,360	9,886,643
Cost of sales	(5,963,289)	(6,203,433)
	<hr/>	<hr/>
Gross profit	3,478,071	3,683,210
Administrative expenses	(2,943,952)	(1,838,233)
Other operating income	-	26,695
	<hr/>	<hr/>
Operating profit	534,119	1,871,672
Other interest receivable and similar income	8,533	4
	<hr/>	<hr/>
Profit before taxation	542,652	1,871,676
Tax on profit	(101,782)	(307,416)
	<hr/>	<hr/>
Profit for the financial year	440,870	1,564,260
Retained earnings brought forward as previously reported	2,762,410	1,198,150
Dividends	(64,090)	-
	<hr/>	<hr/>
Retained earnings carried forward	<u>3,139,190</u>	<u>2,762,410</u>

IMPACT DATA SOLUTIONS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	3		72,881		92,996
Investments	4		15,117		16,190
			<u>87,998</u>		<u>109,186</u>
Current assets					
Debtors	5	3,277,532		3,626,512	
Cash at bank and in hand		1,172,690		869,953	
		<u>4,450,222</u>		<u>4,496,465</u>	
Creditors: amounts falling due within one year	6	(1,397,030)		(1,828,388)	
Net current assets			3,053,192		2,668,077
Total assets less current liabilities			<u>3,141,190</u>		<u>2,777,263</u>
Provisions for liabilities			-		(12,852)
Net assets			<u>3,141,190</u>		<u>2,764,411</u>
Capital and reserves					
Called up share capital	7		2,000		2,000
Profit and loss reserves			3,139,190		2,762,411
Total equity			<u>3,141,190</u>		<u>2,764,411</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

.....

B R J Parker
Director

Company Registration No. 07038550

IMPACT DATA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Impact Data Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is C/O Sobell Rhodes LLP, The Kinetic Centre, Theobald Street, Elstree, Borehamwood, Hertfordshire, United Kingdom, WD6 4PJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The company is exempt from the requirement to prepare group accounts given that at the end of the financial year, the company is subject to the small companies regime.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation, even after an assessment of the impact of Covid 19, that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is measured as the fair value of the consideration received or receivable, for the provision of structural cabling installation services, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	33% on cost
Motor vehicles	25% Reducing balance

IMPACT DATA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.7 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

IMPACT DATA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.8 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	33	25

3 Tangible fixed assets

	Plant and equipment £	Motor vehicles £	Total £
Cost			
At 1 January 2021	182,566	-	182,566
Additions	16,672	22,997	39,669
At 31 December 2021	199,238	22,997	222,235
Depreciation and impairment			
At 1 January 2021	89,570	-	89,570
Depreciation charged in the year	56,430	3,354	59,784
At 31 December 2021	146,000	3,354	149,354
Carrying amount			
At 31 December 2021	53,238	19,643	72,881
At 31 December 2020	92,996	-	92,996

IMPACT DATA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	15,117	16,190

Movements in fixed asset investments

	Shares in subsidiaries £
Cost or valuation	
At 1 January 2021	16,190
Valuation changes	(1,073)
At 31 December 2021	15,117
Carrying amount	
At 31 December 2021	15,117
At 31 December 2020	16,190

5 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	2,076,061	2,674,146
Amounts owed by group undertakings	217,058	153,962
Other debtors	984,413	798,404
	3,277,532	3,626,512

6 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	563,818	1,181,112
Corporation tax	86,741	272,259
Other taxation and social security	95,554	69,605
Other creditors	650,917	305,412
	1,397,030	1,828,388

IMPACT DATA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Called up share capital

	2021	2020	2021	2020
Ordinary share capital Issued and fully paid	Number	Number	£	£
Ordinary 'A' Shares of £1 each	1,600	1,600	1,600	1,600
Ordinary 'B' Shares of £1 each	400	400	400	400
	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021	2020
	£	£
	<u>278,965</u>	<u>194,138</u>

9 Events after the reporting date

During the year, the company entered into informal negotiations to provide remedial works for a historical project which had subsequently experienced rodent damage.

At the year end, there was no reliable estimate of the costs likely to be incurred in relation to these works, on which to provide a provision in the accounts.

Following a court settlement in early 2022, the company has provided an estimate of £116,000 to complete the work which has been agreed by the claimant.

10 Related party transactions

The company has taken advantage of the exemption contained in FRS102 section 1AC.35 from disclosing transactions and balances with other wholly owned group entities.

IMPACT DATA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11 Parent company

The Company is a subsidiary of Sterlite Global Ventures (Mauritius) Limited.

The parent company of the smallest group for which consolidated accounts are prepared is Sterlite Technologies Limited.

The registered office and details of where consolidated accounts can be publicly viewed can be found here: www.stl.tech/downloads/subsidiary

The ultimate parent company is Volcan Investments Limited. The registered office of which is as follows:

C/O Elco Corporate Services Limited
Loyalist Plaza, Don Mackay Boulevard
PO Box AB 20377
March Harbour BS-CO-BS
Island of Abaco
Bahamas

IMPACT DATA SOLUTIONS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021		2020
	£	£	£	£
Turnover				
Sales of goods		8,112,227		8,770,751
Other income		1,329,133		1,115,892
		<hr/>		<hr/>
		9,441,360		9,886,643
Cost of sales				
Purchases	1,737,720		2,830,103	
Wages and salaries	535,899		312,605	
Social security costs	62,011		31,270	
Subcontract labour	3,627,659		3,029,455	
	<hr/>		<hr/>	
		(5,963,289)		(6,203,433)
Gross profit		<hr/>		<hr/>
		3,478,071		3,683,210
Other operating income				
Government grants receivable and released		-		26,695

IMPACT DATA SOLUTIONS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Administrative expenses		
Wages and salaries	1,389,768	941,854
Social security costs	169,181	114,151
Staff recruitment costs	31,512	9,000
Child care vouchers	-	262
Staff training	26,861	7,702
Staff pension costs defined contribution	77,185	36,897
Directors' remuneration	392,311	363,004
Directors' social security costs	52,242	48,661
Rent and service charge	114,984	96,643
Power, light and heat	23,541	23,132
Property repairs and maintenance	27,015	11,665
Premises insurance	37,627	15,903
Computer running costs	44,600	36,184
Leasing - motor vehicles	74,517	50,952
Leasing - other assets	-	1,316
Motor running expenses	7,610	13,101
Travelling expenses	59,320	51,821
Professional subscriptions	6,202	3,614
Legal and professional fees	6,195	3,895
Consultancy fees	70,524	100,471
Accountancy	31,588	6,089
Audit fees	16,275	30,250
Bank charges	3,069	2,799
Loan balance written off	-	(266,350)
Health insurance	13,383	9,530
Printing and stationery	9,106	8,271
Advertising	26,640	6,900
Promotions and exhibitions	7,077	-
Telecommunications	24,483	19,203
Client entertainment	46,685	19,512
Staff entertainment	5,104	1,645
Sundry expenses	330	3,887
Depreciation	59,784	46,704
Profit or loss on disposal of fixed assets	-	736
Profit or loss on foreign exchange	89,233	18,829
	<hr/>	<hr/>
	(2,943,952)	(1,838,233)
Operating profit	<hr/> 534,119	<hr/> 1,871,672

IMPACT DATA SOLUTIONS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

	£	2021 £	£	2020 £
Interest receivable and similar income				
Bank interest received	-		4	
Other interest received	8,533		-	
	<hr/>	8,533	<hr/>	4
Profit before taxation		<hr/> <u>542,652</u>		<hr/> <u>1,871,676</u>

Annual report 2021

Impact Data Solutions B.V.

Utrecht

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Fiscal position

2021
EUR

CALCULATION TAXABLE AMOUNT

Total of result before tax 318.426

Partially deductible amounts	Base amount	%	EUR
Representation expenses	327	26,50	86
Travelling and hotel expenses	5	26,50	<u>1</u>
			<u>87</u>
Taxable amount			<u><u>318.513</u></u>

CALCULATION CORPORATE TAX

15,00% of EUR 245.000	36.750
25,00% of EUR 73.510	<u>18.377</u>
Payable corporate taxes	<u><u>55.127</u></u>

	Liability / Receivable at 01-01-2021	corporate tax (income/exp nses) in 2021	Payments / receipts during 2021	Adjustments in 2021	Liability / Receivable at 31-12-2021
	EUR	EUR	EUR	EUR	EUR
SITUATION AT BALANCE SHEET DATE					
2020	54.635	(20.001)	(34.634)	-	-
2021	<u>-</u>	<u>55.127</u>	<u>(30.000)</u>	<u>-</u>	<u>25.127</u>
	<u><u>54.635</u></u>	<u><u>35.126</u></u>	<u><u>(64.634)</u></u>	<u><u>-</u></u>	<u><u>25.127</u></u>

Financial statements

Balance sheet as at 31 December 2021

(After proposal distribution of result)

		31 December 2021		31 December 2020	
		EUR	EUR	EUR	EUR
ASSETS					
Fixed assets					
Property, plant and equipment	1		-		3.124
Current assets					
Construction contracts	2		-		33.058
Receivables	3		339.445		165.882
Cash and cash equivalents	4		2.904.700		1.632.902
			<u>3.244.145</u>		<u>1.834.966</u>
EQUITY AND LIABILITIES					
Equity					
Share capital paid called up	5				
General reserve	6	18.000		18.000	
		<u>1.619.740</u>		<u>1.336.440</u>	
			1.637.740		1.354.440
Short-term liabilities	7		1.606.405		480.526
			<u>3.244.145</u>		<u>1.834.966</u>

Statement of income and expenses for the year 2021

		2021	2020
		EUR	EUR
Net Turnover	8	4.705.514	3.470.872
Cost of sales	9	<u>(3.116.773)</u>	<u>(2.296.541)</u>
Gross margin		1.588.741	1.174.331
Expenses of employee benefits	10	1.106.196	695.090
Depreciations	11	3.124	7.651
Other operating expenses	12	<u>109.899</u>	<u>85.704</u>
Total of sum of expenses		<u>1.219.219</u>	<u>788.445</u>
Total of operating result		369.522	385.886
Financial income and expense	13	<u>(51.096)</u>	<u>16.418</u>
Total of result before tax		318.426	402.304
Income tax expense		<u>(35.126)</u>	<u>(102.559)</u>
Total of result after tax		<u><u>283.300</u></u>	<u><u>299.745</u></u>

		2021	2020
	EUR	EUR	EUR
Cash flow statement for the year 2021			
Total of cash flows from (used in) operating activities			
Operating result		369.522	385.886
Adjustments for			
Depreciation	11	3.124	7.651
Exchange rate differences		(3)	-
		3.121	7.651
Changes in working capital			
Decrease (increase) in construction contracts	2	33.058	(33.058)
Decrease (increase) in trade receivables		(176.108)	(98.300)
Accrued income and prepaid expenses		2.545	(150)
Increase (decrease) in other payables	7	1.125.879	(1.047.080)
		985.374	(1.178.588)
Total of cash flows from (used in) operations		1.358.017	(785.051)
Interest received		14	16.418
Interest paid		(51.107)	-
Income tax paid		(35.126)	(102.559)
		(86.219)	(86.141)
Total of cash flows from (used in) operating activities		1.271.798	(871.192)
Total of increase (decrease) in cash and cash equivalents		1.271.798	(871.192)
Movement in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		1.632.902	2.504.094
Increase (decrease) cash and cash equivalents		1.271.798	(871.192)
Cash and cash equivalents at the end of the period		2.904.700	1.632.902

Notes to the financial statements

ENTITY INFORMATION

Registered address and registration number trade register

The registered and actual address of Impact Data Solutions B.V. is Zonnebaan 9, 3542 EA in Utrecht. Impact Data Solutions B.V. is registered at the Chamber of Commerce under number 55655858.

GENERAL NOTES

General notes

The most important activities of the entity

The activities of Impact Data Solutions B.V. consist mainly of information-technology activities.

GENERAL ACCOUNTING PRINCIPLES

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

ACCOUNTING PRINCIPLES

Accounting principles applied to the valuation of assets and liabilities

Construction contracts

Construction contracts commissioned by third parties comprises the balance of project costs realised, profit attributed, and if applicable, recognised losses and instalments already invoiced. Construction contracts are separately presented in the balance sheet under current assets. If it shows a credit balance, this will be presented under current liabilities.

Expenditure relating to project costs for work not yet performed is recognised under inventories.

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for the determination of the result

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income from construction contracts after deduction of discounts and such like and of taxes levied on the turnover.

Income tax expense

Tax on the result is calculated based on the result before tax in the statement of income and expenses, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Notes to the balance sheet

Assets

FIXED ASSETS

	<u>31-12-2021</u>	<u>31-12-2020</u>
	EUR	EUR
1 Property, plant and equipment		
Machinery	-	2.269
Other fixed assets	-	855
	<u>-</u>	<u>3.124</u>

Property, plant and equipment

	Machinery	Transporta- tion	Other fixed assets	Total
	EUR	EUR	EUR	EUR
Balance as at 1 January 2021				
Cost or manufacturing price	19.364	22.598	4.275	46.237
Accumulated depreciation	(17.095)	(22.598)	(3.420)	(43.113)
Book value as at 1 January 2021	<u>2.269</u>	<u>-</u>	<u>855</u>	<u>3.124</u>
Movements				
Depreciation	(2.269)	-	(855)	(3.124)
Balance movements	<u>(2.269)</u>	<u>-</u>	<u>(855)</u>	<u>(3.124)</u>
Balance as at 31 December 2021				
Cost or manufacturing price	19.364	22.598	4.275	46.237
Accumulated depreciation	(19.364)	(22.598)	(4.275)	(46.237)
Book value as at 31 December 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

CURRENT ASSETS

	<u>31-12-2021</u>	<u>31-12-2020</u>
	EUR	EUR
2 Construction contracts		
Amount withheld by clients of construction contracts	-	(241.987)
Capitalised expenses for not yet provided services of construction contracts	-	275.045
	<u>-</u>	<u>33.058</u>
3 Receivables		
Trade debtors	326.814	150.706
Office deposit	12.092	12.092
Accrued income and prepaid expenses	539	3.084
	<u>339.445</u>	<u>165.882</u>
Office deposit		
Office deposit	<u>12.092</u>	<u>12.092</u>
Accrued income and prepaid expenses		
Miscellaneous prepaid expenses	<u>539</u>	<u>3.084</u>
4 Cash and cash equivalents		
ABN AMRO Bank N.V. Current Account	2.901.652	1.629.854
ABN AMRO Bank N.V. Deposit	3.048	3.048
	<u>2.904.700</u>	<u>1.632.902</u>

Equity and liabilities

5 Equity

Movements in equity were as follows:

	Share capital paid called up	General re- serve	Total
	EUR	EUR	EUR
Balance as at 1 January 2021	18.000	1.336.440	1.354.440
Appropriation of result	-	283.300	283.300
Balance as at 31 December 2021	<u>18.000</u>	<u>1.619.740</u>	<u>1.637.740</u>

6 Share capital paid called up

The authorised share capital is EUR 90.000,- divided into 900 ordinary shares of EUR 100,-. Issued share capital comprises of 180 ordinary shares.

	Shares
	EUR
Balance as at 1 January 2021	18.000
Movements	-
Balance as at 31 December 2021	<u>18.000</u>

	<u>31-12-2021</u>	<u>31-12-2020</u>
	EUR	EUR
7 Short-term liabilities		
Trade payables	1.154.747	375.533
Payables relating to taxes and social security contributions	329.296	104.993
Liability due to pensions	13.843	-
Construction contracts	108.520	-
Other liabilities and accrued expenses	(1)	-
	<u>1.606.405</u>	<u>480.526</u>
 Payables relating to taxes and social security contributions		
Value added tax	302.586	50.358
Wage tax	1.583	-
Company tax	25.127	54.635
	<u>329.296</u>	<u>104.993</u>
 Liability due to pensions		
Other liabilities in respect of pensions	<u>13.843</u>	<u>-</u>
 Construction contracts		
Amount withheld by clients of construction contracts	313.649	-
Capitalised expenses for not yet provided services of construction contracts	(205.129)	-
	<u>108.520</u>	<u>-</u>
2020 : See chapter 2 : Construction contracts (Projects in Progress)		

Notes to the statement of income and expenses

	<u>2021</u>	<u>2020</u>
	EUR	EUR
8 Net Turnover		
Revenues	4.754.283	3.189.233
Revenue accrual	(69.916)	275.045
IDS Cross Charges	21.147	6.594
	<u>4.705.514</u>	<u>3.470.872</u>
9 Cost of sales		
Cost of sales	<u>3.116.773</u>	<u>2.296.541</u>
Cost of sales		
Cost of Sales	3.014.831	2.752.708
Projects in Progress	20.248	16.336
Engineering (Employers NI) (COS)	10.033	-
Direct Cost Accrual	<u>71.661</u>	<u>(472.503)</u>
	<u>3.116.773</u>	<u>2.296.541</u>
10 Expenses of employee benefits		
Other employee costs	<u>1.106.196</u>	<u>695.090</u>
Other employee costs		
Gratuities	1.188	-
Recruitment expenses	15.950	-
Charged management costs	1.088.505	694.919
Other allowances	190	-
Study and training expenses	299	-
Other staff expenses	<u>64</u>	<u>171</u>
	<u>1.106.196</u>	<u>695.090</u>
11 DEPRECIATIONS		
Depreciation of property, plant and equipment	<u>3.124</u>	<u>7.651</u>
12 OTHER OPERATING EXPENSES		
Housing expenses	11.600	11.524
Selling expenses	9.663	13.354
Office expenses	2.418	2.115
General expenses	<u>86.218</u>	<u>58.711</u>
	<u>109.899</u>	<u>85.704</u>

	<u>2021</u>	<u>2020</u>
	EUR	EUR
Housing expenses		
Rent expenses	10.208	10.147
Cleaning expenses	1.392	1.377
	<u>11.600</u>	<u>11.524</u>
Selling expenses		
Travelling and hotel expenses	5	12.409
Representation expenses	327	281
Addition to provision doubtful debtor	8.780	-
Car expenses	551	664
	<u>9.663</u>	<u>13.354</u>
Office expenses		
Telephone and fax expenses	1.760	1.446
Automation expenses	393	425
Printed matters	-	146
Postage expenses	60	-
Specialist literature	205	-
Office supplies	-	98
	<u>2.418</u>	<u>2.115</u>
General expenses		
Other general expenses	74.706	43.685
Insurance premium	6.586	6.621
Consultancy expenses	-	4.118
Audit costs, other non-audit services	4.926	4.287
	<u>86.218</u>	<u>58.711</u>
13 Financial income and expense		
Exchange differences & bank fees	14	16.418
Interest tax authorities	(51.107)	-
Currency translation differences	(3)	-
	<u>(51.096)</u>	<u>16.418</u>
Interest tax authorities		
Interest other liabilities	5.600	-
Bank fees	45.507	-
	<u>51.107</u>	<u>-</u>

Other notes

Average number of employees

Breakdown

	<u>2021</u>	<u>2020</u>
Average number of employees over the period working in the Netherlands	<u>1,00</u>	<u>-</u>

Subsequent events

Disclosure of subsequent events

Post Balance sheet event

The Coronavirus COVID-19 as from the first quarter of 2020 has so far little impact on our business. Also for 2021, to the best of our knowledge, we do not have any doubts about the continuity of our organisation. Based on this we are of the opinion that the accounting policies are correctly based on the assumption of going concern.

Utrecht,

Impact Data Solutions B.V.

Benjamin Roland Parker
Director



Dear board members,

Accountant's compilation report

The financial statements of Impact Data Solutions B.V., Utrecht, have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2021 and the statement of income and expenses for the year then ended with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Impact Data Solutions B.V.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

The Hague, 8 April 2022

Maas Accountants B.V.

G.J. Maas RA

Company Registration No. 09621145 (England and Wales)

VULCAN DATA CENTRE SOLUTIONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



Sobell Rhodes LLP
The Kinetic Centre
Theobald Street
Elstree
Borehamwood
Hertfordshire
WD6 4PJ

VULCAN DATA CENTRE SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	B R J Parker K S Rao P Aggarwal
Company number	09621145
Registered office	C/O Sobell Rhodes LLP The Kinetic Centre Theobald Street Elstree, Borehamwood Hertfordshire United Kingdom WD6 4PJ
Auditor	Sobell Rhodes LLP Chartered Accountants C/O Sobell Rhodes LLP The Kinetic Centre Theobald Street Elstree, Borehamwood WD6 4PJ

VULCAN DATA CENTRE SOLUTIONS LIMITED

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VULCAN DATA CENTRE SOLUTIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be that of no trading

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B R J Parker
K S Rao
P Aggarwal

Auditor

In accordance with the company's articles, a resolution proposing that Sobell Rhodes LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

.....

B R J Parker
Director

Date:

VULCAN DATA CENTRE SOLUTIONS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

VULCAN DATA CENTRE SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VULCAN DATA CENTRE SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Vulcan Data Centre Solutions Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

VULCAN DATA CENTRE SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF VULCAN DATA CENTRE SOLUTIONS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

VULCAN DATA CENTRE SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF VULCAN DATA CENTRE SOLUTIONS LIMITED

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We enquired of Management to obtain an understanding of the legal and regulatory frameworks that are applicable to the Company. The most significant that are relevant to the Company are United Kingdom Generally Accepted Accounting Practice, The Companies Act 2006 and the tax legislation in respect of Corporation tax, VAT and PAYE. We understood how the Company complies with these through enquiries of management and asked of any instances of non-compliance in these areas.

We assessed the susceptibility of the Company's financial statements to material misstatements, including how fraud might occur through enquiries of Management and to understand where they considered there was susceptibility to fraud. We obtained an understanding of the controls that the Company has established to address the risk to prevent, deter, and detect fraud.

Based on this understanding we designed our audit procedures to detect irregularities including fraud which primarily consisted of the following:

1. Identifying and testing of journal entries including large and unusual transactions to understand their rationale.
2. Enquiries of management and those charged with governance on instances any known fraud and around actual and potential litigation claims.
3. Enquiries of the tax engagement team that are independent of the audit team for instances of non-compliance.

The Senior Statutory Auditor reviewed the experience and expertise of the audit engagement team to ensure that they had the appropriate competence and capabilities to identify any instances of fraud and non-compliance with the relevant laws and regulations.

The objective of our audit, in respect to fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risk of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

VULCAN DATA CENTRE SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF VULCAN DATA CENTRE SOLUTIONS LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Adam Shelley (Senior Statutory Auditor)

For and on behalf of Sobell Rhodes LLP

Chartered Accountants

Statutory Auditor

Date:

The Kinetic Centre

Elstree

Hertfordshire

United Kingdom

WD6 4PJ

VULCAN DATA CENTRE SOLUTIONS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Administrative expenses	3,027	(287,797)
Profit/(loss) before taxation	3,027	(287,797)
Tax on profit/(loss)	378	-
Profit/(loss) for the financial year	3,405	(287,797)
Retained earnings brought forward	4,397	292,194
Retained earnings carried forward	<u>7,802</u>	<u>4,397</u>

VULCAN DATA CENTRE SOLUTIONS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	4		1		887
Current assets					
Debtors	5	-		1,900	
Cash at bank and in hand		8,476		12,363	
		<u>8,476</u>		<u>14,263</u>	
Creditors: amounts falling due within one year	6	<u>(575)</u>		<u>(9,700)</u>	
Net current assets			7,901		4,563
Total assets less current liabilities			<u>7,902</u>		<u>5,450</u>
Provisions for liabilities			-		(953)
Net assets			<u>7,902</u>		<u>4,497</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			7,802		4,397
Total equity			<u>7,902</u>		<u>4,497</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

.....
B R J Parker
Director

Company Registration No. 09621145

VULCAN DATA CENTRE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Vulcan Data Centre Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is C/O Sobell Rhodes LLP, The Kinetic Centre, Theobald Street, Elstree, Borehamwood, Hertfordshire, United Kingdom, WD6 4PJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation, even after an assessment of the impact of Covid-19, that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

1.4 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

VULCAN DATA CENTRE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

1.5 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.6 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	3	3

VULCAN DATA CENTRE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4 Intangible fixed assets

	Digital asset £
Cost	
At 1 January 2021 and 31 December 2021	887
	<u> </u>
Amortisation and impairment	
At 1 January 2021	-
Impairment losses	886
	<u> </u>
At 31 December 2021	886
	<u> </u>
Carrying amount	
At 31 December 2021	1
	<u> </u>
At 31 December 2020	887
	<u> </u>

5 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	-	1,900
	<u> </u>	<u> </u>

6 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	5,700
Corporation tax	575	-
Other creditors	-	4,000
	<u> </u>	<u> </u>
	575	9,700
	<u> </u>	<u> </u>

7 Related party transactions

The company has taken advantage of the exemption contained in FRS102 section 1AC.35 from disclosing transactions and balances with other wholly owned group entities.

VULCAN DATA CENTRE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

8 Parent company

The Company is a subsidiary of Sterlite Global Ventures (Mauritius) Limited.

The parent company of the smallest group for which consolidated accounts are prepared is Sterlite Technologies Limited.

The registered office and details of where consolidated accounts can be publicly viewed can be found here: www.stl.tech/downloads/subsidiary

The ultimate parent company is Volcan Investments Limited. The registered office of which is as follows:

C/O Elco Corporate Services Limited
Loyalist Plaza, Don Mackay Boulevard
PO Box AB 20377
March Harbour BS-CO-BS
Island of Abaco
Bahamas

VULCAN DATA CENTRE SOLUTIONS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	£	2021 £	£	2020 £
Administrative expenses				
Insurance	-		271	
Computer running costs	-		272	
Accountancy	-		413	
Audit fees	(4,000)		13,650	
Bank charges	87		79	
Loan balance written off	-		266,350	
Telecommunications	-		14	
Depreciation	-		1,423	
Impairment losses	886		-	
Profit or loss on disposal of tangible assets	-		4,270	
Profit or loss on foreign exchange	-		1,055	
	<hr/>	3,027	<hr/>	(287,797)
Operating profit/(loss)		<hr/> <u>3,027</u>		<hr/> <u>(287,797)</u>

Relazione della società di revisione indipendente ai sensi dell'articolo 14 del DLgs 27 gennaio 2010, n° 39

All'azionista unico di Optotec SpA

Relazione sulla revisione contabile del bilancio d'esercizio

Giudizio

Abbiamo svolto la revisione contabile del bilancio d'esercizio della società Optotec SpA (la Società), costituito dallo stato patrimoniale al 31 dicembre 2021, dal conto economico, dal rendiconto finanziario per l'esercizio chiuso a tale data e dalla nota integrativa.

A nostro giudizio, il bilancio d'esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2021, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità alle norme italiane che ne disciplinano i criteri di redazione.

Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISA Italia). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio* della presente relazione. Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano alla revisione contabile del bilancio. Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Altri aspetti

Il bilancio d'esercizio della Società Optotec SpA per l'esercizio chiuso al 31 dicembre 2020 è stato sottoposto a revisione contabile da parte di un altro revisore che, il 24 giugno 2021, ha espresso un giudizio senza modifica su tale bilancio.

Responsabilità degli amministratori e del collegio sindacale per il bilancio d'esercizio

Gli amministratori sono responsabili per la redazione del bilancio d'esercizio che fornisca una

PricewaterhouseCoopers SpA

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Corso Palestro 10 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzini 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001 - **Vicenza** 36100 Piazza Pontelandolfo 9 Tel. 0444 393311

rappresentazione veritiera e corretta in conformità alle norme italiane che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione di un bilancio che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione del bilancio d'esercizio, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli amministratori utilizzano il presupposto della continuità aziendale nella redazione del bilancio d'esercizio a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il collegio sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che il bilancio d'esercizio nel suo complesso non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base del bilancio d'esercizio.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- abbiamo identificato e valutato i rischi di errori significativi nel bilancio d'esercizio, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno;
- abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno della Società;
- abbiamo valutato l'appropriatezza dei principi contabili utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli amministratori, inclusa la relativa informativa;
- siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o

circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa di bilancio ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento;

- abbiamo valutato la presentazione, la struttura e il contenuto del bilancio d'esercizio nel suo complesso, inclusa l'informativa, e se il bilancio d'esercizio rappresenti le operazioni e gli eventi sottostanti in modo da fornire una corretta rappresentazione.

Abbiamo comunicato ai responsabili delle attività di governance, identificati ad un livello appropriato come richiesto dagli ISA Italia, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

Relazione su altre disposizioni di legge e regolamentari

Giudizio ai sensi dell'articolo 14, comma 2, lettera e), del DLgs 39/10

Gli amministratori della Optotec SpA sono responsabili per la predisposizione della relazione sulla gestione della Optotec SpA al 31 dicembre 2021, incluse la sua coerenza con il relativo bilancio d'esercizio e la sua conformità alle norme di legge.

Abbiamo svolto le procedure indicate nel principio di revisione (SA Italia) n° 720B al fine di esprimere un giudizio sulla coerenza della relazione sulla gestione con il bilancio d'esercizio della Optotec SpA al 31 dicembre 2021 e sulla conformità della stessa alle norme di legge, nonché di rilasciare una dichiarazione su eventuali errori significativi.

A nostro giudizio, la relazione sulla gestione è coerente con il bilancio d'esercizio della Optotec SpA al 31 dicembre 2021 ed è redatta in conformità alle norme di legge.

Con riferimento alla dichiarazione di cui all'articolo 14, comma 2, lettera e), del DLgs 39/10, rilasciata sulla base delle conoscenze e della comprensione dell'impresa e del relativo contesto acquisite nel corso dell'attività di revisione, non abbiamo nulla da riportare.

Brescia, 30 marzo 2022

PricewaterhouseCoopers SpA



Alessandro Mazzetti
(Revisore legale)

Consolidated Statement of Financial Position
(Amounts in Euro crores, unless otherwise stated)

Numbers to be Linked from Trial Balance

	Note no.	31/03/2022		31/03/2021	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
ASSETS					
Non-current assets					
Property, plant and equipment	.	404.427	222.727		
Right-of-use asset	4	1.079.550	1.002.000		
Capital work-in-progress	4	-	-		
Goodwill	4,6	-	-		
Other intangible assets	5	29.160	26.535		
Financial assets		28.406	23.076		
Investments	7	-	-		
Loans	9	-	-		
Other non-current financial assets	10	28.406	23.076		
Other non-current assets	11	-	-		
Total Non-Current assets		1.541.543	1.274.338		
Current assets					
Inventories	12	8.138.360	5.817.725		
Financial assets		10.577.854	9.682.228		
Investments	13	-	-		
Trade receivables	8	5.179.973	5.509.794		
Loans	9	-	-		
Cash and cash equivalents	14	5.397.881	4.172.434		
Other current financial assets	10	-	-		
Contract Assets	11	-	-		
Other current assets	11	1.433.044	2.601.779		
Asset classified as held for sale	15	-	-		
Total current assets		20.149.258	18.101.732		
Total assets		21.690.801	19.376.070		
LIABILITIES					
EQUITY					
Share capital and share premium	3	3.650.184	3.650.184		
Other Equity	3	9.159.504	7.904.796		
Equity attributable to equity holders of the parent		12.809.688	11.554.980		
Non-controlling interests		-	-		
Total Equity		12.809.688	11.554.980		
Non-current liabilities					
Financial Liabilities		1.317.994	1.077.408		
Interest bearing loans and borrowings non-current	16	-	-		
Lease liabilities non-current	4	967.514	896.056		
Other non-current financial liabilities	17	350.480	181.352		
Employee benefit obligations non-current	20	281.503	352.076		
Deferred tax liabilities (net)	XX	-	-		
Total non-current liabilities		1.599.497	1.429.484		
Current liabilities					
Financial Liabilities		5.909.526	4.992.233		
Interest bearing loans and borrowings current	19	-	-		
Lease liabilities current	4	258.542	258.389		
Trade payables	16	5.650.985	4.733.844		
Other current financial liabilities	15	-	-		
Contract Liabilities	17	-	-		
Employee benefit obligations current	27	396.905	685.425		
Current tax liabilities (Net)	19	597.188	644.826		
Other current liabilities	17	377.996	69.122		
Total current liabilities		7.281.615	6.391.606		
Total liabilities		8.881.113	7.821.090		
Total equity and liabilities		21.690.801	19.376.070		

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Consolidated statement of profit or loss and other comprehensive income
(Amounts in Euro crores, unless otherwise stated)

Numbers to be Linked from Trial Balance

	Note no.	For the year ended	
		March 31, 2022	March 31, 2021
Income			
Revenue from contract with customers	21	24.894.261,50	19.718.212,66
Other operating income	21	-	-
Other income	22	192.225,90	346.131,63
Total income (I)		25.086.487,40	20.064.344,29
Expenses			
Cost of raw material and components consumed	24	(23.271.656,07)	(24.296.912,81)
Changes in inventories of finished goods, work-in-progress, traded goods and construction work-in-progress	24	6.309.048,49	10.858.540,62
Employee benefits expense	25	(2.576.867,28)	(2.640.585,91)
Other expenses	26	(1.258.680,00)	(1.048.591,64)
Total Expense (II)		(20.798.155)	(17.127.549,74)
Earnings before interest, tax, depreciation and amortisation (EBITDA) (I)-(II)		4.288.332,55	2.936.794,54
Depreciation and amortisation expense	27	(779.657,39)	(900.073,99)
Finance costs	28	(342.835,18)	(348.158,74)
Finance income	23	139.794,94	244.609,59
Profit before tax & share in profit/(loss) of associate		3.305.635	1.933.171
Share of profit from Associate		-	-
Profit before tax		3.305.635	1.933.171,41
Tax expense:			
Current tax		(886.445)	(673.682,37)
Deferred tax		24.690	60.000,00
Total tax expenses		(861.755)	(613.682,37)
Profit for the year		2.443.880	1.319.489
Profit is attributable to:			
Owners of			
Non-controlling interests		-	-
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company		2.443.880	1.319.489,05
Basic earnings per share		3,49	1,88
Diluted earnings per share		3,49	1,88
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic earnings per share		3,49	1,88
Diluted earnings per share		3,49	1,88
Other comprehensive income			
Items that maybe reclassified to the statement of profit or loss in subsequent periods:			
Net movement on cashflow hedges		-	-
Income tax effect of above		-	-
Exchange differences on translation of foreign operations		-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		-	-
Items that will not be reclassified to the statement of profit or loss in subsequent periods:			
Re-measurement of defined benefit plan		-	-
Income tax effect of above		-	-
Changes in fair value of FVOCI equity instrument		-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income for the year, net off tax		-	-
Total comprehensive income for the year		2.443.879,85	1.319.489,05
Profit for the year attributable to:			
Owners of the parent		2.443.879,85	1.319.489,05
Non-controlling interest		-	-
Other comprehensive income attributable to:			
Owners of the parent		-	-
Non-controlling interest		-	-
Total comprehensive income attributable to:			
Owners of the parent		2.443.879,85	1.319.489,05
Non-controlling interest		-	-

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

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Consolidated Statement Of Cash Flows For The Year Ended 31 March 2022
(Amounts in Euro crores, unless otherwise stated)

	31 March 2022	31 March 2021
A. Operating activities		
Profit/(Loss) before tax	3,305,634,91	
From continuing operations	3,305,634,91	
From discontinued operation	-	
	3,305,634,91	
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and impairment of property, plant & equipment	142,289,47	
Amortization & impairment of intangible assets	268,983,47	
Provision for doubtful debts and advances	-	
Bad debts / advances written off	-	
(Profit) / Loss on sale of property, plant and equipment, net including gain on termination	-	
Rental income	-	
Share of profit from joint venture	-	
Change in Fair Value of Investment	-	
Employees stock option expenses	-	
Finance costs (including interest pertaining to Ind AS 116)	-	
Finance income	-	
Unrealized exchange difference	-	
	411,272,94	
Operating profit before working capital changes	3,716,907,85	
Working capital adjustments:		
Increase/(decrease) in trade payables	917,140,42	
Increase/(decrease) in long-term provisions	169,127,68	
Increase/(decrease) in short-term provisions	-	
Increase/(decrease) in other current liabilities	20,354,01	
Increase/(decrease) in contract liabilities	-	
Increase/(decrease) in other current financial liabilities	-	
Increase/(decrease) in other non-current financial liabilities	71,458,13	
Increase/(decrease) in current employee benefit obligations	-	
Increase/(decrease) in non-current employee benefit obligations	(70,572,37)	
Decrease/(increase) in current trade receivable	329,820,95	
Decrease/(increase) in non current trade receivable	-	
Decrease/(increase) in inventories	(2,320,635,34)	
Decrease/(increase) in loans given to related parties	-	
Decrease/(increase) in short-term loans	152,78	
Decrease/(increase) in other current financial assets	-	
Decrease/(increase) in other non-current financial assets	-	
Decrease/(increase) in other current assets	1,302,344,03	
Decrease/(increase) in contract assets	-	
Decrease/(increase) in other non-current assets	-	
	419,190,28	
Change in working capital		
	4,136,098,14	
Cash generated from operations		
	(1,043,001,49)	
Net cash flow from operating activities	3,093,096,64	
B. Investing activities		
Purchase of property, plant and equipments	(653,989,30)	
Purchase of intangible assets	(19,158,49)	
Proceeds from sale of property, plant and equipments	-	
Investment in Associates/JVs	-	
Investment in subsidiaries, net of cash acquired	-	
Purchase of current investments	-	
Proceeds from current investments	-	
Proceeds from sale of investment	-	
Net movement in other bank balance	(5,330,23)	
Unpaid dividend	-	
Rental income	-	
Interest received (finance income)	-	
Net cash flow used in investing activities	(678,478,02)	
	(678,478,02)	

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C. Financing activities

Proceeds from long term borrowings		
Repayment of long term borrowings		
Proceeds/(repayment) from/of short term borrowings (net)		
Proceeds from issue of shares against employee stock options		
Interest paid (including interest pertaining to Ind AS 116)		
Principal elements of leases payments	(1.189.172,00)	
Dividend paid on equity shares		
Buy-back of equity shares		
Tax on Buy-back		
Tax on equity dividend paid		
Net cash flow from / (used in) financing activities	(1.189.172,00)	
Net increase/(decrease) in cash and cash equivalents	1.225.446,63	
	1.225.446,61	
Foreign exchange relating to cash and cash equivalents of Foreign operations		
Cash and cash equivalents as at beginning of year	4.172.433,94	
Cash and cash equivalents as at year end	5.397.880,55	4.172.433,94
Components of cash and cash equivalents:		
	March 31, 2021	March 31, 2020
	(Rs. in crores)	(Rs. in crores)
Balances with banks	4.172.433,94	-
Cash in hand		
Total cash and cash equivalents	4.172.433,94	-
Cash & cash equivalents from discontinued operation		
Total cash and cash equivalents	4.172.433,94	-

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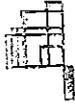
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Numbers to be Linked from Trial Balance

Note 3 Consolidated Statement of Change in Equity

Particulars	Share Capital and premium	Other equity	Other reserves	Employee stock option outstanding	Cash Flow Hedge Reserve	Retained earnings	Total	Non-controlling Interest	Total Equity
Balance as at April 1, 2020	n.o.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Profit for the year									
Other comprehensive income / (losses) for the year									
Total comprehensive income for the year									
Addition on ESOP exercised									
Transferred to securities premium account									
Employee stock option expenses for the year									
Amount transferred to the statement of profit and loss									
Transactions with owners in their capacity as owners:									
Dividends provided for or paid									
Balance as at March 31, 2021	3.650.184	-	4.398.607	-	-	2.185.700	10.235.491	-	10.235.491
Balance as at April 1, 2021									
Profit for the year									
Other comprehensive income / (losses) for the year									
Total comprehensive income for the year									
Addition on ESOP exercised									
Transferred to securities premium account									
Employee stock option expenses for the year									
Amount transferred to the statement of profit and loss									
Transactions with owners in their capacity as owners:									
Dividends provided for or paid									
Balance as at March 31, 2022	3.650.184	-	5.094.446	-	-	(1.189.172)	10.365.808	-	10.365.808

See accompanying notes to consolidated financial statements

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NOTE 6: IMPAIRMENT TESTING OF GOODWILL

Goodwill (refer note X)

Goodwill is monitored by management at CGU level. The Group has performed its annual impairment test by computing the recoverable amount based on a value in use calculations which require the use of assumptions as given in table below. The calculations use cash flow projections from financial budgets approved by senior management covering a period of five years. The management has not identified any instances that could cause the carrying amount of the CGU's to exceed the recoverable amount.

A CGU level summary of the goodwill allocation is given below

	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
Optical Inter-connect Solutions business in Europe Region CGU (refer note XX)	-	-	n.a.
	-	-	n.a.

Key assumptions used in the value in use calculations

The following table provides the key assumptions for those CGUs that have goodwill allocated to them:

	As at March 31, 2022	As at March 31, 2021	n.a.
Long-term terminal Growth rate for Optical Inter-connect Solutions business	-	-	n.a.
Pre-tax discount rate for Optical Inter-connect Solutions business	-	0,00%	n.a.

Management has determined the values assigned to each of the above key assumptions as follows:

Discount Rate

Discount rate represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and the CGU and is derived from the CGU's weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. CGU specific risk is incorporated by applying individual beta factor. The beta factor is evaluated annually based on publicly available market data.

Growth rate assumptions

The Company has considered growth rate to extrapolate cash flows beyond the budget period, consistent with the industry forecasts.

EBITDA margins

EBITDA margins are based on the actual EBITDA of the CGU based on the past trend and future expectations.

Sensitivity to changes in assumptions - Optical Inter-connect Solutions business in Europe Region CGU

Discount rates

A rise in pre-tax discount rate to XX would result in impairment.

EBITDA margins

A decreased demand can lead to a decline in EBITDA. A decrease in EBITDA margins below XX% would result in impairment.

NOTE 7: INVESTMENTS

Non-current investments

Investment in Associate Companies

Other financial Assets

Total investments

Total non-current investments

Aggregate amount of quoted investments and market value thereof

Aggregate amount of unquoted investments

Amount of impairment in the value of investments

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Non-current investments	1.513.136,60	1.251.261,75	n.a.
Investment in Associate Companies	28.406,23	23.076,00	n.a.
Other financial Assets	-	-	-
Total investments	1.541.542,83	1.274.337,75	-
Total non-current investments	-	-	-
Aggregate amount of quoted investments and market value thereof	1.541.542,83	1.274.337,75	-
Aggregate amount of unquoted investments	-	-	-
Amount of impairment in the value of investments	-	-	-

NOTE 8: TRADE RECEIVABLES

Current

Trade receivables

Receivables from related parties (refer note XX)

Less : Loss allowance

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Current	4.821.032,38	5.509.794,28	n.a.
Trade receivables	358.940,95	-	n.a.
Receivables from related parties (refer note XX)	-	-	-
Less : Loss allowance	5.179.973,33	5.509.794,28	n.a.

(i) Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within XX days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the group's impairment policies and the calculation of the loss allowance are provided in note XX.

(ii) Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

(iii) Impairment and risk exposure

Information about the impairment of trade receivables and the group's exposure to credit risk and foreign currency risk can be found in note XX and XX.

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NOTE 9: LOANS

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Financial assets at amortised cost	n.a.	n.a.	n.a.
Non-current (Unsecured, considered good)	28.406,23	23.076,00	n.a.
Security deposits	n.a.	n.a.	n.a.
Loans to employees	n.a.	n.a.	n.a.
Less : Loss allowance	-	-	-
Total non-current loans	28.406,23	23.076,00	-
Current			
Current	n.a.	n.a.	n.a.
Financial assets at amortised cost	n.a.	n.a.	n.a.
Loans	n.a.	n.a.	n.a.
Security deposits	n.a.	n.a.	n.a.
Loans to employees	n.a.	n.a.	n.a.
Total current loans	-	-	-

NOTE 10: OTHER FINANCIAL ASSETS

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Non-current (Unsecured, considered good)			
Derivative instruments	n.a.	n.a.	n.a.
Foreign exchange forward contracts	n.a.	n.a.	n.a.
Total other non-current financial assets	-	-	-
Current (Unsecured, considered good)			
Derivative instruments			
Foreign exchange forward contracts			
Currency/ interest rate swaps	n.a.	n.a.	n.a.
Others	n.a.	n.a.	n.a.
Interest accrued on investments/deposits	n.a.	n.a.	n.a.
Others	-	-	-
Total other current financial assets	-	-	-

Refer note XX for information on financial assets hypothecated as security by the Group.

NOTE 11: OTHER ASSETS

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Non-current			
Capital advances (Unsecured, considered good)	24.689,68	60.000,00	n.a.
Advance income tax, including TDS (net of provision)	288.336,26	25.842,53	n.a.
Prepaid expenses	313.025,94	85.842,53	n.a.
Total other non-current assets	-	-	-
Contract assets			
Current			
Prepaid expenses	n.a.	n.a.	n.a.
Balances with government authorities	n.a.	n.a.	n.a.
Advance to suppliers	495.254,87	39.213,80	n.a.
Other advances	n.a.	n.a.	n.a.
Total other current assets	495.254,87	39.213,80	-

Refer note XX for information on other assets hypothecated as security by the Company.

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Notes to consolidated financial statements

Numbers to be Linked from Trial Balance

NOTE 12: INVENTORIES

Raw materials
 [Includes stock in transit Rs XXX crores (March 31, 2021: Rs. XXX crores, April 01, 2020: Rs XXXX crores)]

Work-in-progress
 Finished goods at cost
 [Includes stock in transit Rs XXX crores (March 31, 2021: Rs. XXX crores, April 01, 2020: Rs XXX crores)]

Finished goods at fair value less cost to sell
 [Includes stock in transit Rs XXX crores (March 31, 2021: Rs. XXX crores, April 01, 2020: Rs XXX crores)]

Traded goods
 Stores, spares, packing materials and others

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Raw materials	-	-	n.a.
Work-in-progress	-	-	-
Finished goods at cost	8.138.360,29	5.817.724,95	n.a.
Finished goods at fair value less cost to sell	n.a.	n.a.	n.a.
Traded goods	n.a.	n.a.	n.a.
Stores, spares, packing materials and others	n.a.	n.a.	n.a.
Total	8.138.360,29	5.817.724,95	-

Amount recognised in Statement of Profit and Loss

Write-downs of inventories to net realisable value amounted to Rs. XXX crores (March 31, 2021: Rs. XXX crores, April 01, 2020: Rs XXX crores). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in statement of profit and loss of respective year.

Refer note XX for information on inventories hypothecated as security by the Group.

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Notes to consolidated financial statements
NOTE 13: CURRENT INVESTMENT

Investment in other short term liquid funds

Aggregate amount of quoted investments (Market Value: Rs. XXX Crores (March 31, 2021: Rs. 0.XXX Crores, April 01, 2021: Rs. XXX Crores))

Amount of Impairment in the value of investments

Numbers to be Linked from Trial Balance

As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
n.a.	n.a.	n.a.
-	-	-
n.a.	n.a.	n.a.

NOTE 14: CASH AND CASH EQUIVALENTS

Balances with banks:
In current accounts (in INR)
In current accounts (in foreign currency) CFH
Cash in hand
Deposits

As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
3,317,294,18	3,380,513,80	-
2,080,586,37	791,920,14	-
-	-	-
-	-	-
5,397,880,55	4,172,433,94	-

Total cash and cash equivalents

There are no repatriation restrictions with regards to cash and cash equivalents.

no	no	no
----	----	----

(i) Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
Balances as above	5,397,880,55	4,172,433,94	-
Bank overdrafts	n.a.	n.a.	n.a.
Balances per statement of cash flows	5,397,880,55	4,172,433,94	n.a.

(ii) Classification as cash equivalents

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours' notice with no loss of interest. See note XX for the group's other accounting policies on cash and cash equivalents.

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Notes to consolidated financial statements
NOTE 15: ASSET CLASSIFIED AS HELD FOR SALE

Numbers to be Linked from Trial Balance

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Assets classified as held for sale			
Property, plant and equipment	n.a.	n.a.	n.a.
Capital work-in-progress	n.a.	n.a.	n.a.
Intangible assets	n.a.	n.a.	n.a.
Inventories	8.138.360,29	5.817.724,95	n.a.
Other non-current financial assets	n.a.	n.a.	n.a.
Other non-current assets	n.a.	n.a.	n.a.
Trade receivables	n.a.	n.a.	n.a.
Cash and cash equivalents	n.a.	n.a.	n.a.
Other bank balances	n.a.	n.a.	n.a.
Other current financial assets	n.a.	n.a.	n.a.
Other current assets	n.a.	n.a.	n.a.
Total assets of disposal group held for sale	8.138.360,29	5.817.724,95	-
Liabilities directly associated with assets classified as held for sale			
Borrowings	n.a.	n.a.	n.a.
Trade payables	n.a.	n.a.	n.a.
Employee benefit obligations	n.a.	n.a.	n.a.
Other financial liabilities	n.a.	n.a.	n.a.
Other liabilities	n.a.	n.a.	n.a.
Total liabilities directly associated with assets classified as held for sale	-	-	-
Net assets of disposal group held for sale	8.138.360,29	5.817.724,95	-
Description of asset held for sale			
Financial performance and cash flow information			
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
		(Rs. in crores)	(Rs. in crores)
Revenue	31.395.535,89	30.922.884,91	#REF!
Expenses	(27.141.381,33)	(28.048.790,21)	#REF!
Loss before income tax	4.254.154,57	2.874.094,69	#REF!
Income tax	(1.043.001,49)	-	#REF!
Loss for the year	3.211.153,07	2.874.094,69	#REF!
Other comprehensive income	n.a.	n.a.	n.a.
Total comprehensive income	3.211.153,07	2.874.094,69	#REF!
Net cash inflow / (outflow) from operating activities	419.190,28	-	-
Net cash inflow / (outflow) from investing activities	(678.478,02)	-	-
Net cash inflow / (outflow) from financing activities	(1.189.172,00)	-	-
Net (decrease) / increase in cash generated from discontinuing operation	1.762.693,33	2.874.094,69	-

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Notes to consolidated financial statements
NOTE 16: BORROWINGS

Numbers to be Linked from Trial Balance

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Non-current			
Term loans			
Indian rupee loans from banks (secured)	n.a.	n.a.	n.a.
Foreign currency loans from banks (secured)	n.a.	n.a.	n.a.
Foreign currency loans from banks (unsecured)	n.a.	n.a.	n.a.
Indian rupee loans from banks (unsecured)	n.a.	n.a.	n.a.
Deferred payment liabilities (unsecured)	n.a.	n.a.	n.a.
<hr/>			
The above amount includes			
Secured borrowings	n.a.	n.a.	n.a.
Unsecured borrowings	-	-	-
<hr/>			
Total Non-current borrowings	-	-	-
<hr/>			
Less: Current maturities of long term borrowings disclosed under the head "other current financial liabilities" (refer note XX)	n.a.	n.a.	n.a.
<hr/>			
Net Amount	-	-	-

Metallurgica Bresciana S.p.A.

- a) Foreign currency term loan from bank of Rs. XXXX crores (March 31, 2021: XXX crores, April 01, 2020: Rs XXX crores) carries interest of EURIBOR + 1.90% p.a. This loan is backed by corporate guarantee from Sterlite Technologies Limited. Loan amount is repayable in 10 half yearly instalments starting from September 2020 to March 2025 (excluding interest).
- b) Foreign currency term loan from bank of Rs. XXXX crores (March 31, 2021: XXX crores, April 01, 2020: Rs. XXXX crores) carries interest of EURIBOR + 1.70% p.a. This loan is backed by SBLC issued by Citi Bank, India. Loan amount is repayable in 8 half yearly instalments of Euro 0.20 crores starting from July 2020 to January 2023 and thereafter Euro 0.40 crores for the period July 2023 to January 2024 (excluding interest).
- c) Foreign currency loan from bank of Rs. XXXX crores (March 31, 2021: XXX crores, April 01, 2020: XXX crores) carries interest of EURIBOR + 1.25% p.a. Loan amount is repayable in 1 annual installment and 9 half yearly instalments of Euro 0.02 crores starting from November 2019 to November 2024 (excluding interest).
- d) Foreign currency loan from bank of Rs. XXXX crores (March 31, 2021: XXX crores, April 01, 2020: Rs. XXX crores) carries interest of EURIBOR + 1.25% p.a. Loan amount is repayable in 1 annual installment and 9 half yearly instalments of Euro 0.03 crores starting from August 2019 to August 2024 (excluding interest).
- e) Foreign currency loan from bank of Rs. XXX crores (March 31, 2021: XXX crores, April 01, 2020: Nil) carries interest of EURIBOR + 1.55% p.a. Loan amount is repayable in 10 half yearly instalments of Euro 0.03 crores starting from June 2017 to December 2021 (excluding interest).
- f) Foreign currency loan from bank of Rs. XXX crores (March 31, 2021: XXX crores, April 01, 2020: Nil) carries interest of EURIBOR + 1.25% p.a. Loan amount is repayable in 4 half yearly instalments of Euro 0.02 crores starting from June 2018 to December 2019 and bullet repayment of Euro 0.02 crores in the month of June 21 (excluding interest).

STL Optical Interconnect S.p.A.

- a) Foreign currency loan from bank of Rs. XXXX crores (March 31, 2021: XXXX crores, April 01, 2020: Nil) carries interest of 6 months EURIBOR + 1.7% p.a. This loan is backed by corporate guarantee from Sterlite Technologies Limited. Loan amount is repayable in 9 half yearly instalments of Euro XXXX crores starting from January 2023 to January 2025 and thereafter Euro 0.30 crores for the period July 2025 to January 2027 (excluding interest).

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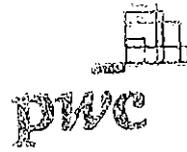
Notes to consolidated financial statements

Numbers to be Linked from Trial Balance

	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)
Current borrowings			
Cash credit from banks (secured)			
Working capital demand loans from banks (secured)			
Commercial paper from bank (unsecured)			
Foreign currency loan (unsecured)			
Other loan from banks (secured)			
Other loans (unsecured)			
Loans from related party (unsecured)			
The above amount includes			
Secured borrowings			
Unsecured borrowings			
Net Amount			

Note :

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Metallurgica Bresciana S.p.A.

a) Foreign currency working capital loan from bank of Rs XXX crores (March 31, 2021: Rs 42.22 crores, April 01, 2020: Rs. 51.28 crores) carries interest @ EURIBOR + 0.75% - 3.50% p.a.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)
Cash and cash equivalents*	(5.397.880,55)	(4.172.433,94)	n.a.
Current investments **	n.a.	n.a.	n.a.
Current Borrowings (including interest accrued but not due)	258.541,63	258.388,85	n.a.
Non-current borrowings (including interest accrued but not due and current maturity of long term borrowings.)***	967.513,73	896.055,60	n.a.
Net Debt	(4.171.825,19)	(3.017.989,50)	-

The amount of net debt considering the amount of lease liability of Rs. XXXX crores (March 31, 2021: Rs. XXX crores, April 01, 2020: Rs XXX crores) is Rs. XXX crores (March 31, 2021: Rs. XXXX crores, April 01, 2020: Rs XXXX crores)

	(Rs. in crores)	
	As at March 31, 2022	As at March 31, 2021
Non-current borrowings		
Opening balance	1.154.444,44	n.a.
Cashflows	71.458,13	n.a.
Interest expense	n.a.	n.a.
Interest paid	(25.504,31)	n.a.
Forex adjustment	n.a.	n.a.
Closing balance	1.200.398,26	-
Current borrowings		
Opening balance	258.388,85	n.a.
Cashflows	152,78	n.a.
Interest expense	n.a.	n.a.
Interest paid	n.a.	n.a.
Forex adjustment	n.a.	n.a.
Closing balance	258.541,63	-
Cash and cash equivalent		
Opening balance	4.172.433,94	n.a.
Cashflows	1.225.446,61	n.a.
Interest expense	-	-
Interest paid	-	-
Forex adjustment	-	-
Closing balance	5.397.880,55	-
Current Investments		
Opening balance	n.a.	n.a.
Cashflows	n.a.	n.a.
Interest expense	n.a.	n.a.
Interest paid	n.a.	n.a.
Realised gain on current investments	n.a.	n.a.
Closing balance	n.a.	n.a.

Compliance with loan covenants

STL has complied with the financial covenants of its borrowing facilities during the 2021 and 2020 reporting period, see note XX for details.

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Notes to consolidated financial statements

Numbers to be Linked from Trial Balance

NOTE 17: OTHER FINANCIAL LIABILITIES

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Non-current			
Derivative Instruments	n.a.	n.a.	n.a.
Other financial liabilities at amortised cost			
Foreign exchange forward contracts	n.a.	n.a.	n.a.
Currency / Interest Rate Swaps	n.a.	n.a.	n.a.
Others			
Deposits from vendors	n.a.	n.a.	n.a.
Total non-current financial liabilities	-	-	-
Current			
Derivative Instruments	n.a.	n.a.	n.a.
Foreign exchange forward contracts	n.a.	n.a.	n.a.
Currency / Interest Rate Swaps	-	-	-
Other financial liabilities at amortised cost			
Interest accrued but not due on borrowings	n.a.	n.a.	n.a.
Current maturities of long-term borrowings (refer note XX)	n.a.	n.a.	n.a.
Deposits from customers	n.a.	n.a.	n.a.
Deposits from vendors	n.a.	n.a.	n.a.
Payables for purchase of property, plant and equipment (Including deferred payment liabilities)	n.a.	n.a.	n.a.
Employee benefits payable	n.a.	n.a.	n.a.
Others	-	-	-
Total current financial liabilities	-	-	-

NOTE 18: TRADE PAYABLES

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Trade payables to related parties (refer note XX)	-	-	-
Acceptances	n.a.	n.a.	n.a.
Others	n.a.	n.a.	n.a.
Total Trade Payables	-	-	-

NOTE 19 OTHER CURRENT LIABILITIES

	As at March 31, 2022 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)	As at March 31, 2021 (Rs. in crores)
Contract Liabilities			
Unearned revenue	n.a.	n.a.	n.a.
Advance from customers	n.a.	n.a.	n.a.
Total contract liabilities	-	-	-

Significant changes in Contract liabilities

Contract liabilities have decreased as entity has utilised the advance from customers during the year.

During the year ended 31 March 2021, the group recognized revenue of Rs. XXX crores (March 31, 2021: Rs. XXX crores, April 01, 2020: Rs XXX crores) arising from opening unearned revenue.

Current			
Indirect taxes payable	597.188,17	644.825,95	n.a.
Withholding taxes (TDS) payable	-	-	n.a.
Others	-	-	n.a.
Total other current liabilities	597.188,17	644.825,95	n.a.

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Notes to consolidated financial statements
NOTE 21: REVENUE FROM OPERATIONS

Numbers to be Linked from Trial Balance

	For the year ended	
	March 31, 2022 (Rs. in crores)	March 31, 2021 (Rs. in crores)
Revenue from contracts with customers		
Sale of products		
Finished goods	8.138.360,29	5.817.724,95
Traded goods	-	-
Revenue from sale of products	8.138.360,29	5.817.724,95
Other Operating Income		
Scrap sales	n.a.	n.a.
Export incentives	n.a.	n.a.
Revenue from operation	-	-

Revenue disaggregation in terms of nature of good and service has been included above.

The total contract price of Rs. XXX crores (March 31, 2021: Rs 2,672.13 crores, April 01, 2020 Rs 2,564.82 crores). The contract price does not contain any variable consideration. Refer note X and X for accounting policy and significant judgements respectively.

The Company's unsatisfied (or partially satisfied) performance obligations can vary due to several factors such as terminations, changes in scope of contracts, periodic revaluations of the estimates or other relevant economic factors. The aggregate value of unsatisfied (or partially satisfied) performance obligations is 'XXX which is expected to be recognised over a period of one to five years. Amount of unsatisfied (or partially satisfied) performance obligations does not include contracts with original expected duration of one year or less since the Company has applied the practical expedient in Ind AS 115.

NOTE 22: OTHER INCOME

	For the year ended	
	March 31, 2022 (Rs. in crores)	March 31, 2021 (Rs. in crores)
Dividend income	n.a.	n.a.
Balances no longer payable written back	n.a.	n.a.
Management Fees	n.a.	n.a.
Rental Income	n.a.	n.a.
Profit on sale of assets, net	192.225,90	346.131,63
Miscellaneous Income	192.225,90	346.131,63
Total other income		

NOTE 23: FINANCE INCOME

	For the year ended	
	March 31, 2022 (Rs. in crores)	March 31, 2021 (Rs. in crores)
Interest income on		
- Bank deposits	n.a.	n.a.
- Current Investments	n.a.	n.a.
- Loans to related parties (refer note XX)	139.794,94	244.609,59
- Others	n.a.	n.a.
Income from current investment	n.a.	n.a.
Interest subvention	n.a.	n.a.
Net gain on sale of current investments		
Total finance income	139.794,94	244.609,59

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Notes to consolidated financial statements
 NOTE 24: COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Numbers to be Linked from Trial Balance

Inventory at the beginning of the year (refer note XX)
 Adjustment on account of business combination (refer note XX)
 Add : Purchases

Less : Inventory at the end of the year (refer note XX)
 Cost of raw material and components consumed

(Increase)/ decrease in inventories

Opening inventories
 Traded goods
 Work-in-progress
 Finished goods

Closing inventories
 Traded goods
 Work-in-progress
 Finished goods

(Increase) / decrease In Inventories

	For the year ended	
	March 31, 2022 (Rs. in crores)	March 31, 2021 (Rs. in crores)
	-	-
	-	-
	-	-
	-	-
	n.a.	n.a.
	-	-
	8.138.360,29	5.817.724,95
	8.138.360,29	5.817.724,95
	n.a.	n.a.
	-	-
	8.138.360,29	5.817.724,95
	8.138.360,29	5.817.724,95
	-	-
	-	-

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NOTE 25: EMPLOYEE BENEFIT EXPENSE

Salaries, wages and bonus
 Contribution to provident fund (refer note below)
 Gratuity expenses (refer note XX)
 Employees stock option expenses (refer note XX)
 Staff welfare expenses

Total Employee benefits expense

For the year ended	
March 31, 2022	March 31, 2021
(Rs. in crores)	(Rs. in crores)
(2,576,867,28)	(2,640,585,91)
(196,162,56)	(142,120,75)
n.a.	n.a.
n.a.	n.a.
n.a.	n.a.
(2,773,029,84)	(2,782,706,66)

Defined Contribution Plans:

Metallurgica Bresciana S.p.A. has a social security fund which is a defined contribution plan. Contributions are made to social security fund administered by Italian Government for employees at the rate of 16%-25% of salary as per the local laws present in the country.

The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Group has recognised the following expenses in the Statement of Profit and Loss for the year.

Particulars

Contribution to Employees Provident Fund

Total

For the year ended	
March 31, 2022	March 31, 2021
(Rs. in crores)	(Rs. in crores)
(196,162,56)	(142,120,75)
(196,162,56)	(142,120,75)

NOTE 26: OTHER EXPENSES

Consumption of stores and spares
 Consumption of packing materials
 Power, fuel and water
 Labour Charges
 Repairs and maintenance
 Building
 Plant & machinery
 Others
 Sales commission
 Sales promotion
 Carriage outwards
 Rent
 Insurance
 Legal and professional fees
 Rates and taxes
 Travelling and conveyance
 Bad debts / advances written off
 Provision for doubtful debts and advances
 Directors sitting fee and commission
 Exchange difference, (net)
 Payment to auditor
 Research and development expenses (refer note XX)
 Salaries, wages and bonus
 Raw materials consumed
 General expenses
 Total Research and development expenses
 Less Amount transferred to individual expense line item
 Research and development expenses
 Miscellaneous expenses
 Total other expenses

For the year ended	
March 31, 2022	March 31, 2021
(Rs. in crores)	(Rs. in crores)
(169,227,57)	(203,410,02)
(88,831,14)	(63,536,01)
(102,326,73)	(190,838,53)
(22,126,48)	(19,329,42)
(22,221,89)	(273,473,88)
(265,237,62)	(43,578,86)
n.a.	n.a.
n.a.	n.a.
n.a.	n.a.
-	-
-	-
(303,243,67)	(293,949,46)
(973,215,09)	(1,088,116,18)

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NOTE 27: DEPRECIATION AND AMORTISATION EXPENSE

Depreciation of tangible assets
Depreciation of right of use assets
Amortisation of intangible assets
Total depreciation and amortisation expense

For the year ended	
March 31, 2022	March 31, 2021
(Rs. in crores)	(Rs. in crores)
(142,289,47)	(268,706,81)
(252,449,96)	(198,000,00)
(16,533,51)	(17,772,55)
(411,272,94)	(484,479,36)

NOTE 28: FINANCE COST
NOTE 28: FINANCE COST

Interest on financial liabilities measured at amortised cost*
Interest on lease liabilities
Fair value gain on interest rate swaps designated as cash flow hedges – transfer from OCI
Bank charges
Net exchange losses on foreign currency borrowings
Total finance cost

For the year ended	
March 31, 2022	March 31, 2021
(Rs. in crores)	(Rs. in crores)
n.a.	n.a.
-	-
n.a.	n.a.
n.a.	n.a.
n.a.	n.a.
-	-

* During the year, the Group has capitalised borrowing costs of Rs. XXX crores (March 31, 2021: Rs. XXX crores) incurred on the borrowings specifically availed for expansion of production facilities and general borrowing costs. The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Group's general borrowings, in this case XXX p.a. (March 31, 2020: XXX p.a.).

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NOTE A: Property, plant & equipment	Freehold land	Buildings ¹	Plant & machinery	Furniture & fixtures	Data processing equipments	Office equipments	Electrical fittings	Vehicles	Right of Use asset	Total
Cost	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
As at April 01, 2020										
Additions during the year										
Transfer from investment property (refer note 7)										
Assets Acquired under business combination (refer note XX)										
Transitions Adjustments										
Assets classified as held for sale and other disposals										
Disposals/Adjustments			560,216	4,274				158,881	1,200,000	1,923,442
As at March 31, 2021										
Additions during the year										
Transitions Adjustments										
Assets classified as held for sale and other disposals										
Disposals/Adjustments			324,255	140					330,000	654,435
As at March 31, 2022			684,631	4,415				158,881	1,510,000	2,377,917
Accumulated Depreciation and Impairment										
As at April 01, 2020	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Charge for the year			(81,926)	(1,168)				(34,147)	(198,000)	(317,241)
Transitions Adjustments										
Disposals/Adjustments			(411,469)	(2,446)				(16,400)	(198,000)	(628,315)
As at March 31, 2021			(411,469)	(2,446)				(16,400)	(198,000)	(628,315)
Charge for the year			(110,460)	(294)				(51,535)	(262,450)	(524,739)
Transitions Adjustments										
Disposals/Adjustments			(476,794)	(1,428)				(108,135)	(450,410)	(1,038,607)
As at March 31, 2022										
Net Book Value										
As at April 01, 2020	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
As at March 31, 2021			136,657	1,549				82,281	1,292,000	1,524,717
As at March 31, 2022			407,827	289				50,746	1,019,550	1,539,112

¹ Buildings include those constructed on leasehold land:

	March 31, 2022	March 31, 2021	April 01, 2020
Gross Book	n.a.	n.a.	n.a.
Depreciation for the year	n.a.	n.a.	n.a.
Accumulated depreciation	n.a.	n.a.	n.a.
Net Book	n.a.	n.a.	n.a.

Refer note XX for information on property, plant and equipment pledged as security by the Group.
Refer note XX for disclosure of capital commitments for the acquisition of property, plant & equipments.
The Group has revised the useful life of certain assets effective from October 01, 2019 based on the available evidence of their expected use and the impact of same on depreciation charge for previous year was Rs. 15 crores.

Movement in Capital work in progress

Opening balance as at April 01, 2020	-
Additions during the year	-
Borrowing cost capitalized during the year (Refer Note XX)	-
Transfers during the year	-
Closing balance as at March 31, 2021	-
Additions during the year	-
Borrowing cost capitalized during the year (Refer Note XX)	-
Assets acquired under business combination (Refer note XX)	-
Transfers during the year	-
Closing balance as at March 31, 2022	-

Capital work in progress mainly comprises amounts pertaining to plant & machinery.

Details of Leases:

The Note provides information for leases where the group is a lessee. The group leases various office and equipments. Rental contracts are typically made for fixed periods of 2 to 15 years, but have extension options.

(i) Assets recognized in balance sheet

The balance sheet shows the following amount relating to leases:

Particulars	March 31, 2022	March 31, 2021	April 01, 2020
Right of Use Assets			n.a.
Leasehold land			n.a.
Buildings	1,074,549.80	1,002,000.00	n.a.
Plant & Machinery	407,827.01	174,857.37	n.a.
Total	1,482,376.81	1,176,857.37	

Additions to the right of use assets during the year is Rs.306 crores (March 31, 2020: Rs. 2.25 crores).

Particulars	March 31, 2022	March 31, 2021	Apr 01, 2020
Lease liabilities			n.a.
Current	258,541.63	258,388.85	n.a.
Non-current	967,513.73	850,955.60	n.a.
Total	1,226,055.36	1,109,344.45	

(ii) Amount recognized in the statement of profit & loss

Particulars	March 31, 2022	March 31, 2021
Depreciation charge on right of use assets		
Buildings		(198,000.00)
Plant & Machinery		(152,449.56)
Total		(350,449.56)

Particulars	Note no.	March 31, 2022	March 31, 2021
Interest expenses (included in finance cost)	33	(347,835.18)	(348,154.74)
Expenses related to short term leases, low value assets (expensed as rent in other expenses)	31		

The total cash outflow for leases for the year ended March 31, 2022 was Rs.3006 crores (March 31, 2020: Rs. 300X crores)

Extension and Termination options:

Extension and termination options are included in a number of property and equipment leases across the group. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

COVID-19 related rent concessions

The Company has received rent concession as a direct consequence of COVID-19 pandemic and has applied practical expedient provided by IASB in May 2020 and extended in March 2021. Below are the details of the contract for which the expedient has been applied and the impact on the statement of profit and loss

Nature of contract	Impact on statement of profit or loss
XXXX	XXXX

Residual value guarantees

To optimize lease costs during the contract period, the group sometimes provides residual value guarantees in relation to equipment leases.

The group initially estimates and recognizes amounts expected to be payable under residual value guarantees as part of the lease liability. Typically the expected residual value at lease commencement is equal to or higher than the guarantee amounts and so the group does not expect to pay anything under the guarantees. At the end of each reporting period, the expected residual values are reviewed to reflect actual residual values achieved on comparable assets and expectations about future prices. As at 31 March 2022, Rs. 800X is expected to be payable and is included in calculating the lease liabilities while 3000 (undiscounted) is not expected to be payable and has hence been excluded from the lease liabilities (2021 - Rs.3000000 and Rs.3000000 respectively).

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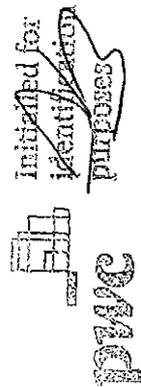
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Numbers to be Linked from: Trial Balance

Notes to consolidated financial statements
(Amounts in INR crores, unless otherwise stated)

NOTE 5: INTANGIBLE ASSETS

	Software/licenses	Patents	Customer acquisition / Customer Relationships	Non-Compete	Indefeasible right of use	Goodwill	Total
As at April 01, 2020	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-
Additions during the year	-	-	-	-	-	-	-
Assets Acquired under business combination (refer note XX)	-	-	-	-	-	-	-
Translation Adjustments	47,595,71	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-	-
As at March 31, 2021	6,427,45	5,312,00	-	-	-	-	11,739,45
Additions during the year	-	-	-	-	-	-	-
Translation Adjustments	54,023,17	5,312,00	-	-	-	-	11,739,45
Disposals/Adjustments	-	-	-	-	-	-	-
As at March 31, 2022	-	-	-	-	-	-	-
Accumulated Amortisation and Impairment	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
As at April 01, 2020	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-
Translation Adjustments	(17,772,55)	-	-	-	-	-	(17,772,55)
Disposal/Adjustments	(21,060,94)	-	-	-	-	-	(21,060,94)
As at March 31, 2021	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-
Translation Adjustments	(15,205,51)	(1,328,00)	-	-	-	-	(16,533,51)
Disposal/Adjustments	(30,175,42)	(1,328,00)	-	-	-	-	(21,060,94)
As at March 31, 2022	-	-	-	-	-	-	-
Net Book Value	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	21,060,94
As at April 01, 2020	26,534,77	-	-	-	-	-	21,060,94
As at March 31, 2021	-	-	-	-	-	-	-
As at March 31, 2022	23,847,75	3,994,00	-	0	0	0	0



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NOTE XX: CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the shareholders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating, healthy capital ratios in order to support its business and maximise shareholder value and optimal capital structure to reduce cost of capital.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and/or the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio optimum. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents excluding discontinued operations.

The recent investments by the Company in new businesses, increasing the capacity of existing businesses and increase in working capital due to certain projects has lead to increase in capital requirement. The Company expects to realise the benefits of these investments in near future.

Particulars	As at	As at	As at
	March 31, 2022	March 31, 2021	April 01, 2020
	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)
Interest bearing loans and borrowings	-342.835,18	-348.158,74	n.a.
Less: Cash and cash equivalents & current investment*	5.397.880,55	4.172.433,94	n.a.
Net debt	5.055.045,36	3.824.275,20	n.a.
Equity share capital	3.650.184,00	3.650.184,00	n.a.
Other equity	9.159.504,07	7.904.796,22	n.a.
Total capital	12.809.688,07	11.554.980,22	n.a.
Capital and net debt	17.864.733,43	15.379.255,42	n.a.
Gearing ratio	28,30%	24,87%	n.a.

*includes other bank balance of Rs. xx crores (31 March 2021 : XXX crores; 01 April 2020 : XXX crores) with respect to fixed deposit. These fixed deposits can be encashed by the Company at any time without any major penalties.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022, March 31, 2021 and April 01, 2020.

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STL Edge Networks Inc
Balance Sheet as on 31st March 2022

(Amt in USD)

Particulars	Notes	31 March 22
Assets		
Non-current assets		
Property, plant & equipment	3	-
Capital work-in progress	4	-
Investment property	7	-
Goodwill	5	-
Other intangible assets	6	-
Deffered tax assets		
Investment in subsidiaries	8	-
Investment in joint venture	8	-
Financial assets		
Investments	8	-
Trade receivables	9	-
Loans	10	-
Other non-current financial assets	11	-
Other non-current assets	12	-
		-
Current assets		
Inventories	13	-
Financial assets		
Investments	14	-
Trade receivables	9	1,561,733.08
Loans	10	-
Cash and cash equivalents	15	36,880.42
Other bank balances	16	-
Other current financial assets	11	-
Other current assets	12	-
		1,598,613.50
Total Assets		1,598,613.50
Equity and Liabilities		
Equity		
Equity share capital	17	1.00
Other Equity		
IUT	18	-
Security premium	18	-
Retained earnings	18	151,682.94
Other reserves	18	-
Total Equity		151,683.94
Non-current liabilities		
Financial liabilities		
Borrowings	19	941,432.00
Other financial liabilities	20	-
Employee benefit obligations	31	-
Provisions	22	-
Other non-current liabilities	23	-
Deferred tax liabilities (net)	24	-
		941,432.00
Current liabilities		
Financial liabilities		
Borrowings	19	-
Trade payables	21	21,939.13
Other financial liabilities	20	483,558.43
Employee benefit obligations	25	-
Provisions	22	-
Other current liabilities	23	-
		505,497.56
Total liabilities		1,446,929.56
Total Equity & Liabilities		1,598,613.50

For and on behalf of the Board of Directors of

STL Edge Networks Inc.



Dr. Badri Gomatam
(Director)

STL Edge Networks Inc

Profit and Loss Statement for the year ending on 31st March 2022

(Amt in USD)

	Notes	
Income		
Revenue from operation	26	-
Other income	27	2,414,820.08
Total income		2,414,820.08
Expenses		
Cost of raw material and components consumed	29	-
Purchase of traded goods	29	-
(Increase) / decrease in inventories of finished goods, work-in-progress, traded goods and construction work-in-progress	29	-
Excise duty on sale of goods		-
Employee benefits expense	30	2,040,384.69
Other expenses	31	197,562.60
Exceptional items	36	-
Total expenses		2,237,947.29
Earnings before interest, tax, depreciation and amortisation (EBITDA)		176,872.79
Depreciation and amortisation expense	32	-
Finance costs	33	25,189.85
Finance Income	28	-
Profit before tax		151,682.94
Tax expense:	34	
Current tax		-
Deferred tax	24	-
Adjustment of tax relating to earlier periods		-
Total tax expenses		-
Profit for the year		151,682.94
Other comprehensive income	35	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Net movement on cash flow hedges		-
Income tax effect		-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Re-measurement loss defined benefits plans		-
Income tax effect		-
Net movement on cash flow hedges		-
Income tax effect		-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		-
Other comprehensive income for the year, net of tax		-
Total comprehensive income for the year, net of tax		151,682.94

For and on behalf of the Board of Directors of
STL Edge Networks Inc.



Dr. Badri Gomatam

(Director)