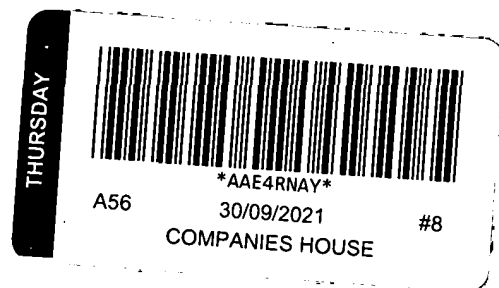


Registered number: 05366382

PNMSOFT UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



PNMSOFT UK LIMITED

COMPANY INFORMATION

Directors	Ishila Bhattacharya Stuart Bridges
Company secretary	Entity Central Corporate Services (UK) Limited
Registered number	05366382
Registered office	6 Lloyds Avenue Suite 4cl London United Kingdom EC3N 3AX
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 6 Dominus Way Meridian Business Park Leicester LE19 1RP

PNMSOFT UK LIMITED

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PNMSOFT UK LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Introduction

The Directors present their Strategic Report for the year ended 31st December 2020.

PNMSOFT UK Limited (the "Company") is a wholly owned subsidiary PNMSOFT Israel and ultimately a wholly-owned subsidiary of Genpact Limited, a publicly traded Company. Genpact Limited, together with its subsidiaries, including the Company, is referred to herein as "Genpact."

Business review

The Directors are pleased to report that 2020 was another successful year for the Company.

In 2020, the Company continued its principal activities of consultancy services.

Management use a range of performance measures to monitor and manage the Company's business. The performance measures are split into financial and non-financial key performance indicators. As shown in the Company's profit and loss account, the Company's total revenues for 2020 have increased from the previous year. The Company made a profit before tax of £54,927 (2019 (restated) - £26,896) during the year. The Company's net asset position increased by £31,818 as of 31 December 2020 compared to 31 December 2019.

The Company is cautiously optimistic about the future. Genpact's end clients are under continued pressure to reduce costs, providing Genpact an opportunity to intervene and sell various solutions aimed at reducing client operating costs. Genpact's clients are also often interested in vendor consolidation to help them reduce costs. Clients' processes for onboarding new vendors are becoming more complex and time consuming. The Company is focusing on (i) expanding its relationships with existing clients in order to generate higher revenues and become preferred client partners and (ii) targeting for new business a smaller list of high priority prospective clients in industries where we have expertise.

Strategy, Objectives and Business model

The Company is the principal UK operating Company of the group of affiliated companies under the common ultimate ownership of Genpact Limited, a U.S.-listed public Company that files periodic reports with the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934. The Directors have not presented a separate description of the Company's strategy, objectives or business model as this information has been disclosed as part of Genpact Limited's annual report on Form 10-K for the year ended 31 December 2020.

Principal risks and uncertainties

The Company is a global consulting and technology services firm focusing on applications outsourcing, technology consulting and systems integration. The Company applies its vertical industry domain knowledge, technical experience and methodologies in collaboration with its clients to provide solutions that address important business opportunities and needs.

The Company has numerous operating risks, including among others, relating to the retention of employees, competition in its market and currency fluctuations. Policies for managing each of these risks are implemented at the parent Company level and apply to the Company and its affiliates. These risks are summarized below:

Competitive pressures

The Company's performance is largely dependent on its ability to compete successfully in the market by adapting to the needs of its global client base. Market share and the level of client spending could be affected, among other factors, by the emergence of new competitors, quality of services, pricing and reputation.

PNMSOFT UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Principal risks and uncertainties (continued)

Competitors may be able to, among other things:

- More successfully sell similar services;
- Innovate and develop new services and solutions faster than the Genpact group;
- Anticipate the need for services and solutions before the Company; or
- Offer more aggressive contractual terms, which may affect the Company's ability to sign profitable contracts

Foreign currency risk

The Company is exposed to foreign currency risk arising from sales or purchases of services in currencies other than its functional currency. The Company manages this risk by maintaining and operating separate bank accounts denominated in various currencies in which it transacts. The Company also has in place arrangements to hedge a substantial portion of Indian rupee-U.S. dollar, euro-U.S. dollar, pound sterling-U.S. dollar, and Australian dollar-U.S. dollar foreign currency exposures.

Interest rate risk

The Company manages its interest rate risk by financing its operations through a mixture of retained profits, cash balances and balances with group undertakings.

Employee retention risk

This risk is managed, among other practices, by continuous evaluation and improvement of job role and profile alignment, ensuring sufficient utilisation of employees, competitive pay and employee-friendly HR policies.

Impact of Brexit

The Company's Brexit Committee, which is sponsored by Genpact's Global Leadership Council, has assessed the expected impact of Brexit on its clients, suppliers and employees. The Company has evaluated a number of risks, including related to restrictions on free movement, limitations on transfers of personal data, currency risks as well as barriers to trade between the EU and UK. Given the global nature of the Company's business, the location of its affiliates' delivery centres, the types of services delivered to its clients and services received from suppliers, the Company does not envision a material risk to its overall business as a result of Brexit, and where the Company has identified potential risks, it has taken steps to mitigate their impact, including:

- Adopting contracting strategies to address concerns should a data adequacy agreement not be reached between the UK and the EU.
- Reminding colleagues of new travel requirements and work visa requirements in the travels system.
- Supporting colleagues through settlement scheme application requirements.
- Collecting newly required government logistical identifiers to ensure materials can be shipped between Genpact's UK and EU locations.

Impact of COVID-19 on our business and results of operations

The COVID-19 pandemic continues to impact the global economy and the markets in which we operate. Actions taken by international, federal, state, and local public health and governmental authorities to contain and combat the outbreak and spread of the COVID-19 pandemic across the globe, including travel bans, quarantines and "stay-at-home" orders, and similar mandates continue to restrict daily activities and have had an impact on our business, financial condition and results of operations. This section provides a brief overview of how we are responding to known and anticipated impacts of the COVID-19 pandemic on our business, financial condition, and results of operations.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Impact of COVID-19 on our business and results of operations (continued)

In addition to complying with applicable government measures, we have taken a series of actions in response to the COVID-19 pandemic to help our employees through this crisis. In the geographies most affected by the recent COVID-19 variants, these actions included providing healthcare support, such as securing and administering vaccines for our employees, facilitating our employees' access to medical equipment, providing online medical consultations, extending medical insurance to our employees' family members and enhancing the dollar value of such coverage. Other actions we have taken include disseminating guidance and information to our employees, facilitating remote work arrangements for our employees, providing increased executive-level communications, developing various employee wellness programs and providing enhanced leave for employees affected by COVID-19. We have also taken a number of steps to protect against a perceived increase in certain risks as a result of our increased remote work environment, including educating our employees on information security best practices and adopting updated cyber security and data privacy policies, among others.

Our Global Leadership Council continues to coordinate and oversee our actions in response to the COVID-19 pandemic, including business continuity planning, revenue and profitability, transformation service offerings to address new and developing client needs, as well as human resource policies. We believe this coordinated effort will maximize our flexibility and allow us to quickly implement any necessary protocols for devising solutions to the problems we or our clients are facing or may face in the future in relation to the pandemic.

As the COVID-19 pandemic evolves, we will continue to assess its impact on the Company and respond accordingly, including taking further actions that alter our business operations as may be required by regulatory authorities or that we determine are in the best interests of our employees, customers, suppliers and shareholders. The ultimate impact of COVID-19 on our business and the industry in which we operate remains unknown and unpredictable. Our past results may not be indicative of our future performance, and our financial results in future periods, including but not limited to net revenues, income from operations, income from operations margin, net income and earnings per share, may differ materially from historical trends. The extent of the impact of the COVID-19 pandemic on our business will depend on a number of factors, including but not limited to the duration and severity of the pandemic; rates of vaccination; the macroeconomic impact of the spread of the virus; and related government stimulus measures. We are currently unable to predict the full impact that COVID-19 will have on our results from operations, financial condition, liquidity and cash flows due to numerous uncertainties, including the duration and severity of the pandemic and containment measures and the related macroeconomic impacts. For example, to the extent the pandemic continues to disrupt economic activity globally, we, like other businesses, will not be immune from its effects, and our business, results of operations and financial condition may be adversely affected, possibly materially, by prolonged decreases in spending on the types of services we provide, deterioration of our clients' credit, or reduced economic activities. In addition, some of our expenses are less variable in nature and do not closely correlate with revenues, which may lead to a decrease in our profitability.

This report was approved by the board and signed on its behalf.

Stuart Bridges

Stuart Bridges
Director

Date: 30 September 2021

PNMSOFT UK LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Directors present their report and the financial statements for the year ended 31 December 2020.

Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Strategic Report, the Directors' 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. The Directors have overseen the preparation of the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under relevant law the Directors must not approve the financial statements unless they are satisfied that the statements give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the applicable period.

In preparing these financial statements, the Directors are required to ensure that:

- suitable accounting policies for the Company's financial statements are applied consistently;
- judgements and accounting estimates made are reasonable and prudent;
- the financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for ensuring adequate accounting records are kept 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 to 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 (or ensuring the taking of) reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The Company's profit for the year, after taxation, amounted to £31,818 (2019 (restated) - loss £34,360).

The Directors did not recommend the payment of any dividends in 2020 (2019 - £Nil).

Director

The Directors who held office during the year and up to the date of this Directors' Report were as follows:

Ishila Bhattacharya (appointed 7 June 2021)
Stuart Bridges

Directors' indemnity insurance

There are no Directors' indemnification arrangements other than as provided under the insurance maintained at the Genpact group level.

Political and charitable contributions

The Company made no political contributions in 2020 (2019 - £Nil).

PNMSOFT UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Matters covered in the strategic report

In accordance with section 414C (11) of the Companies Act 2006, the Company has chosen to set out in the Company's Strategic Report the information required by section 416 (4) of the Companies Act 2006. The Directors refer to the section entitled "Statements by the Directors in accordance with their statutory duties under section 172 (1) Companies Act 2006" in this regard.

Disclosure of information to auditor

Each person who is a director at the time of approval of this Directors' Report has confirmed that

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- each Director has taken (or overseen the taking of) reasonably practicable steps that ought to have been taken as a Director in order to be aware of material information the Company's auditor should have in connection with preparing their report and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Stuart Bridges

Stuart Bridges
Director

Date: 30 September 2021

PNMSOFT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PNMSOFT UK LIMITED

Opinion

We have audited the financial statements of PNMSOFT UK Limited (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 FRS 101 "Reduced Disclosure Framework" (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 2020 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.

PNMSOFT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PNMSOFT UK LIMITED

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.

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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PNMSOFT UK LIMITED

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 either the Directors 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.

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. Based on our understanding of the company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with the Directors and management their policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

PNMSOFT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PNMSOFT UK LIMITED

Our audit procedures in relation to fraud included but were not limited to:


- making enquiries of the Directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

Use of the audit 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.


Bob Johnson (Sep 30, 2021 13:51 GMT+1)

Paul Johnson (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

Date: Sep 30, 2021

PNMSOFT UK LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	As restated 2019 £
Turnover	4	6,183,133	5,454,272
Cost of sales		(4,754,986)	(4,313,622)
Gross profit		<u>1,428,147</u>	<u>1,140,650</u>
Administrative expenses		(1,152,612)	(941,412)
Operating profit	5	<u>275,535</u>	<u>199,238</u>
Interest receivable and similar income	9	62	-
Interest payable and expenses	10	(220,670)	(172,342)
Profit before tax		<u>54,927</u>	<u>26,896</u>
Tax on profit	11	(23,109)	(61,256)
Profit/(loss) for the financial year		<u><u>31,818</u></u>	<u><u>(34,360)</u></u>

There was no other comprehensive income for 2020 (2019 - £Nil).

The notes on pages 13 to 29 form part of these financial statements.

PNMSOFT UK LIMITED
REGISTERED NUMBER: 05366382

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	As restated 2019 £
Fixed assets			
Tangible assets	12	16,339	46,993
		<u>16,339</u>	<u>46,993</u>
Current assets			
Debtors	13	5,351,421	14,790,977
Cash at bank and in hand	14	3,251,086	2,251,637
		<u>8,602,507</u>	<u>17,042,614</u>
Current liabilities	15	(7,718,896)	(16,221,475)
Net current assets		883,611	821,139
Provisions for liabilities			
Deferred taxation	18	(1,658)	(1,658)
Net assets		898,292	866,474
Capital and reserves			
Called up share capital	19	100	100
Share premium account	20	359,998	359,998
Profit and loss account	20	538,194	506,376
		<u>898,292</u>	<u>866,474</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Stuart Bridges
Stuart Bridges
 Director

Date: 30 September 2021

The notes on pages 13 to 29 form part of these financial statements.

PNMSOFT UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020 (restated)	100	359,998	506,376	866,474
Comprehensive income for the year				
Profit for the year	-	-	31,818	31,818
Total comprehensive income for the year	-	-	31,818	31,818
Total transactions with owners	-	-	-	-
At 31 December 2020	<u>100</u>	<u>359,998</u>	<u>538,194</u>	<u>898,292</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Profit and loss account (restated)	Total equity
	£	£	£	£
At 1 January 2019	100	359,998	540,736	900,834
Comprehensive income for the year				
Loss for the year	-	-	(34,360)	(34,360)
Total comprehensive income for the year	-	-	(34,360)	(34,360)
Total transactions with owners	-	-	-	-
At 31 December 2019	<u>100</u>	<u>359,998</u>	<u>506,376</u>	<u>866,474</u>

The notes on pages 13 to 29 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

PNMSOFT UK Limited is a private company, limited by shares, domiciled and incorporated in England and Wales. The address of its registered office and principal place of business is 6 Lloyds Avenue, Suite 4cl, London, EC3N 3AX. Company number 05366382.

The principal activity of the Company is of consultancy services.

The financial statements are prepared in Pounds Sterling as this is the functional currency of the economic environment in which the Company operates.

Monetary amounts in these financial statements are rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The results of the Company are included in the consolidated financial statements of Genpact Limited, registered office Canon's Court, 22 Victoria Street, Hamilton, HM EX, Bermuda.

The preparation of financial statements in compliance with FRS101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3.)

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions (continued)

- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of Genpact Limited as at 31 December 2020, and these accounts may be obtained from <https://www.sec.gov/cgi-bin/browseedgar?CIK=1398659&owner=exclude>.

2.3 Going concern

These financial statements have been prepared on a going concern basis. The Directors have received assurance from the ultimate parent undertaking, Genpact Limited Bermuda, that they will receive financial assistance as necessary to continue to enable PNMSOFT UK Limited to continue to meet its liabilities as they fall due for the foreseeable future which is expected to be more than 12 months post signing of the financial statements.

2.4 Impact of new international reporting standards, amendments and interpretations

There were a number of narrow scope amendments to existing standards which were effective from 1 January 2020. None of these had a material impact on the company.

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.6 Revenue

The Company derives its revenue primarily from business process management services, including analytics, consulting and related digital solutions and information technology services, which are provided primarily on a time-and-material, transaction or fixed-price basis. The Company recognizes revenue upon the transfer of control of promised services to its clients in an amount that reflects the consideration the Company expects to receive in exchange for those services. Revenues from services rendered under time-and-materials and transaction-based contracts are recognized as the services are provided. The Company's fixed-price contracts include contracts for customization of applications, maintenance and support services. Revenues from these contracts are recognized ratably over the term of the agreement. The Company accrues for revenue and unbilled receivables for services rendered between the last billing date and the balance sheet date.

The Company records deferred revenue attributable to certain process transition activities where such activities do not represent separate performance obligations. Revenues relating to such transition activities are classified under contract liabilities and subsequently recognized ratably over the period in which the related services are performed. Costs relating to such transition activities are fulfillment costs which are directly related to the contract and result in the generation or enhancement of resources. Such costs are expected to be recoverable under the contract and are therefore classified as contract cost assets and recognized ratably over the estimated expected period of benefit under cost of revenue.

Revenues are reported net of value-added tax, business tax and applicable discounts and allowances. Reimbursements of out-of-pocket expenses received from clients have been included as part of revenues.

The Company enters into multiple-element revenue arrangements in which a client may purchase a combination of products or services. The Company determines whether each product or service promised to a client is capable of being distinct, and is distinct in the context of the contract. If not, the promised products or services are combined and accounted for as a single performance obligation. In the event of a multiple-element revenue arrangement, the Company allocates the arrangement consideration to separately identifiable performance obligations based on their relative stand-alone selling prices.

Certain contracts may include offerings such as sale of licenses, which may be perpetual or subscription-based. Revenue from distinct perpetual licenses is recognized upfront at the point in time when the software is made available to the customer. Revenue from distinct, non-cancellable, subscription-based licenses is recognized at the point in time it is transferred to the clients. Revenue from any associated maintenance or ongoing support services is recognized ratably over the term of the contract. For a combined software license/services performance obligation, revenue is recognized over the period that the services are performed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 Leased assets: the Company as lessee

During the year the Company leased one office. Rental contracts are typically made for fixed periods.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants other than the security interest in the leased assets that are held by the lessor. Lease assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased assets are available for use by the Company.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The incremental borrowing rate has been assessed with reference to a third party financing rate for an equivalent term.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives

The lease liability is included in 'Creditors' on the Balance Sheet.

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

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lessor transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Tangible Fixed Assets' lines, as applicable, in the Balance Sheet.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2.11.

As a practical expedient, IFRS 16 permits a lessee not to separate lease and non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.8 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- over 4 years
Fixtures and fittings	- over 4 years
Right-of-use asset	- over the life of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable on demand. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. Provisions are discounted to their present values, where the time value of money is material.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.16 Financial instruments

The Company only enters into basic financial instrument 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors or creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 the Statement of Comprehensive Income.

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables due within one year from the reporting date, the carrying amounts approximate fair value due to the short maturity of these instruments.

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Director's judgements, estimates and assumptions are based on the best and most reliable evidence at the time when the decisions are made, and based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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, if the revision affects both current and future periods.

There are no material judgements or estimates during the year ended 31 December 2020.

4. Turnover

An analysis of turnover by class of business is as follows:

	2020	As restated 2019
	£	£
Consultancy services	6,183,133	5,454,272

Analysis of turnover by country of destination:

	2020	As restated 2019
	£	£
United Kingdom	4,091,547	5,195,575
Rest of the world	2,091,586	258,697
	<u>6,183,133</u>	<u>5,454,272</u>

5. Operating profit

The operating profit is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	30,654	71,846
Exchange differences	(88,762)	190,728
	<u></u>	<u></u>

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. Auditor's remuneration

	2020	2019
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	9,748	9,748
Fees payable to the Company's auditor in respect of:		
All other services	1,400	1,200

7. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2020	2019
	No.	No.
Chargeable staff	20	16
Sales and administration	-	8
	<u>20</u>	<u>24</u>

8. Employee costs

Staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	2,059,722	1,967,657
Social security costs	244,041	328,799
Cost of defined contribution scheme	138,831	138,625
	<u>2,442,594</u>	<u>2,435,081</u>

The Directors received no remuneration during the year (2019 - £Nil).

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Interest receivable

	2020	2019
	£	£
Other interest receivable	62	-
	62	-
	62	-

10. Interest payable and similar expenses

	2020	As restated 2019
	£	£
Interest payable and expenses	36	1,354
Interest on intercompany loan	220,634	170,988
	220,670	172,342
	220,670	172,342

11. Taxation

	2020	2019
	£	£
Corporation tax		
Current tax on profits for the year	15,415	32,524
Adjustments in respect of previous periods	7,694	-
	23,109	32,524
	23,109	32,524
Deferred tax		
Origination and reversal of timing differences	-	28,732
	-	28,732
	-	28,732
Taxation on profit on ordinary activities	23,109	61,256
	23,109	61,256

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	As restated 2019 £
Profit on ordinary activities before tax	54,927	26,896
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	10,436	5,110
Effects of:		
Permanent differences	-	4,609
Expenses not deductible for tax purposes	4,979	-
Adjustments to tax charge in respect of prior periods	7,694	-
Short term timing difference leading to an increase in taxation	-	51,537
Total tax charge for the year	23,109	61,256

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Right-of-use asset £	Total £
Cost or valuation				
At 1 January 2020	26,906	152,229	78,697	257,832
At 31 December 2020	26,906	152,229	78,697	257,832
Depreciation				
At 1 January 2020	26,879	125,005	58,955	210,839
Charge for the year	27	10,885	19,742	30,654
At 31 December 2020	26,906	135,890	78,697	241,493
Net book value				
At 31 December 2020	-	16,339	-	16,339
At 31 December 2019	27	27,224	19,742	46,993

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Debtors

	2020	As restated
	£	2019
		£
Trade debtors	443,217	748,604
Amounts owed by group undertakings	4,312,011	13,413,132
Other debtors	579,236	605,728
Prepayments and accrued income	16,957	23,513
	<u>5,351,421</u>	<u>14,790,977</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

14. Cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	<u>3,251,086</u>	<u>2,251,637</u>

15. Current liabilities

	2020	2019
	£	£
Trade creditors	24,114	25,104
Amounts owed to group undertakings	7,077,637	15,416,442
Corporation tax	23,109	29,526
Other taxation and social security	148,227	119,956
Lease liability (note 16)	-	4,964
Other creditors	57,110	182,072
Accruals and deferred income	388,699	443,411
	<u>7,718,896</u>	<u>16,221,475</u>

Interest payable on intercompany loans is charged at a rate of 3 month LIBOR plus a margin of 1.51%.

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. Leases: the Company as a lessee

Lease liabilities are due as follows:

	2020	2019
	£	£
1 - 2 years	-	4,964
2 - 5 years	-	-
	<u>-</u>	<u>4,964</u>

The following amounts in respect of leases, where the Company is a lessee, have been recognised in profit or loss:

	2020	2019
	£	£
Lease liabilities interest	36	997
Depreciation expense charged in the year on right-of-use asset	19,742	58,955
	<u>19,778</u>	<u>59,952</u>

The total cash outflow for leases in 2020 was (2019 - £60,000), split as follows:

- cash payments of £4,964 (2019 - £59,003) for the principal portion of the lease liabilities
- cash payments £36 (2019 - £997) for the interest portion of the lease liabilities

17. Financial instruments

	2020	As restated 2019
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	3,251,086	2,251,637
Financial assets that are debt instruments measured at amortised cost	5,334,464	14,767,464
	<u>8,585,550</u>	<u>17,019,101</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>7,547,560</u>	<u>15,628,582</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17. Financial instruments (continued)

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors, amounts owed to group undertakings, other creditors, lease liability and accruals

The Company uses various financial instruments which include cash, overdrafts, intra group borrowings, equity and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to finance the working capital of the Company's operations.

The main risks arising from the Company's financial instruments are interest rate risk, currency risk, liquidity risk and credit risk. The Directors review and agree policies for managing each of these risks and they are summarised below.

Interest rate risk

The Company seeks to reduce its exposure to interest rate risk where possible, but this is offset by the availability of trade finance arrangements which are transaction specific to meet liquidity needs and so have variable interest rate terms.

Foreign currency risk

The Company's functional currency is Sterling and as such the Company is exposed to foreign exchange movements on monetary assets and liabilities denominated in other currencies. Currently there are no foreign exchange hedge programmes in place. However, the treasury function manages the purchase of foreign currency to meet operational requirements.

Liquidity risk

The Company seeks to manage financial risk, to ensure financial liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved through trade finance arrangements, overdrafts and intra group borrowing facilities.

Credit risk

The Company's principal financial assets are cash and trade receivables. The credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from its trade receivables.

In order to manage credit risk, the Directors set limits for customers based on a combination of payment history and third-party credit references and these limits are reviewed regularly.

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. Deferred taxation

	2020 £
At beginning of year	(1,658)
Charged to profit or loss	-
At end of year	<u>(1,658)</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(1,658)	(1,658)
	<u>(1,658)</u>	<u>(1,658)</u>

19. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
100 (2019 - 100) Ordinary shares of £1.00 each	100	100
	<u>100</u>	<u>100</u>

The shares have attached to them full voting and distribution rights but no right of redemption.

20. Reserves

Share premium account

This reserve represents the excess in consideration paid over the nominal value of shares issued.

Profit and loss account

This reserve represents the accumulated profits and losses of the Company, less any dividends paid.

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

21. Prior year adjustment

In 2019 interest payable on intercompany loans was recognised within administrative expenditure. In these financial statements the amount has been reclassified and is included within interest payable in the Statement of Comprehensive Income.

In 2019 turnover was recorded which should have been recognised in 2020. The resulting adjustment has decreased prior year turnover and trade receivables by £120,025.

22. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £138,831 (2019 - £138,625). Contributions totalling £11,597 (2019 - £12,102) were payable to the fund at the balance sheet date and are included within creditors.

23. Related party transactions

As a wholly owned subsidiary of Genpact Limited, the Company is exempt from the requirements of IAS 24 Related Party Disclosures to disclose transactions with other members of the group headed by Genpact Limited.

24. Ultimate parent company and controlling party

The ultimate parent company is Genpact Limited, a company incorporated in Bermuda.

The company's immediate parent undertaking is PNMSOFT Israel, a company incorporated in Israel.

The largest and smallest group in which the results of the Company are consolidated is that headed by the company's ultimate parent undertaking, Genpact Limited. The consolidated Financial Statements of the ultimate parent company are available to the public at <https://www.sec.gov/cgi-bin/browse-edgar?CIK=1398659&owner=exclude>.