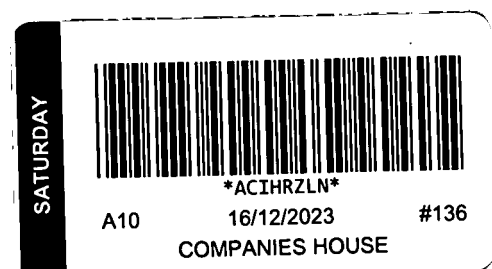


Company Registration No. 05983022

XCHANGING HOLDINGS LIMITED

**Annual report and financial statements
for the year ended 31 March 2023**



Xchanging Holdings Limited

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Xchanging Holdings Limited

Officers and Professional advisers

Directors

Michael Charles Woodfine

Hugo Martin Eales

Steven James Turpie Resigned on 15 July 2022

Registered office

Royal Pavilion,
Wellesley Road,
Aldershot, Hampshire,
United Kingdom,
GU11 1PZ.

Independent Auditor

Deloitte LLP
Statutory Auditor
1 New Street Square,
London,
United Kingdom,
EC4A 3HQ.

Principal Banker

Lloyds Bank Plc
Post Box 72, Bailey Drive,
Gillingham Business Park,
Gillingham, Kent,
United Kingdom,
ME8 OLS.

Xchanging Holdings Limited

Strategic report for the year ended 31 March 2023

The Directors present their Strategic report on the Company for the year ended 31 March 2023. In preparing the Strategic report, the Directors have complied with s414c of the Companies Act 2006.

Xchanging Holdings Limited ("the Company") is a private company, limited by shares and registered in England and Wales. The Company's registered and principal address is Royal Pavilion, Wellesley Road, Aldershot, Hampshire, United Kingdom, GU11 1PZ.

The Company is an indirect subsidiary of DXC Technology (DXC), a public listed company incorporated in the United States of America and listed on the New York Stock Exchange. The entities controlled directly or indirectly by the ultimate Parent Company are referred as the Group Companies ("Group").

The financial statements for the year ended 31 March 2023 are set out on pages 13 to 28.

Business review

The Company is a holding Company and does not trade.

During the year ended 31 March 2023, the Company recognized a profit of £4,977,000 (2022: £36,551,000). The decrease in profit is mainly attributable to decrease in dividend income received from its subsidiaries during the year.

Dividend income of £9,000,000 from Xchanging B.V. Limited received during the year ended 31 March 2023 (2022: income of £40,400,000 from Xchanging B.V. Limited).

The Company has net assets of £183,613,000 (2022: net assets £163,509,000) and net current liabilities of £42,049,000 (2022: £37,853,000). The increase in net assets is attributable to the movements in trade and other receivables (refer to note 11 and 12) and trade and other payables (refer to note 13 and 14). The performance for the year is in line with management's expectations.

Principal risks, uncertainties and financial risk management

The Directors have considered the principal risks attached to the Company's financial instruments which principally comprise of investments and loans from and to Group Companies. The Directors have taken a prudent approach in their consideration of the various risks attached to the financial statements of the Company. The principal risks and uncertainties of the Company are:

Foreign currency risk:

As a global business, the Company faces exposure to adverse movements in foreign currency exchange rates due to intercompany balances. The Company is not involved in trading, but the forex gain or loss is arising due to the valuation of intercompany loans and other payables or receivables. Also, the costs on loan denominated in foreign currency needs to be incurred in foreign currency.

Liquidity risk:

The Company manages liquidity risk with availability of funds from the Parent undertaking and it also has access to wider group funds within DXC if required. Cash flow forecasting is performed at the DXC UK Group level by the treasury team, which monitors the rolling forecasts of the liquidity requirement to ensure it has sufficient cash to meet operational needs, while maintaining sufficient headroom on its cash pool facilities at all times so that the Company does not breach the borrowing limits.

Impairment and valuation risk of investments is dependent on the performance of the underlying group. The Directors therefore perform annual impairment assessments on investment balances.

Further details on other business risks and uncertainties can be found in section 1A of the DXC's consolidated financial statements for the year ended 31 March 2023 which are available to the public and may be obtained from the Company's website www.dxc.technology.

Xchanging Holdings Limited

Strategic report for the year ended 31 March 2023 (continued)

Section 172 (1) of the Companies Act 2006 (The "Act") statement

The success of the Company's business is dependent on the support of all of its stakeholders. Building positive relationships with stakeholders that share DXC's values is important to the directors and working together towards shared goals ensures the Company can deliver long-term sustainable success. This culture is reinforced by the directors' attention to their obligations under s172 of the Companies Act 2006. Section 172 requires that "a director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term;
- b) the interests of the company's employees;
- c) the need to foster the company's business relationships with suppliers, customers and others;
- d) the impact of the company's operations on the community and the environment;
- e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- f) the need to act fairly as between members of the company".

Feedback from stakeholders at an operational level is consistently considered by the directors when making decisions. This is often provided by way of reporting and meetings which focus on the business strategy, performance, and the impact of key decisions on stakeholder interests in the short and long term. Where possible, decisions that affect certain stakeholders are carefully discussed with the affected groups beforehand and are therefore fully understood and supported when taken. All decisions are made with the highest standards of conduct in mind, and in line with Group policies.

The Company is an intermediate holding company within the DXC Group ("the Group") and has no employees or external customers or suppliers, as such the directors' key focus is on the impact of the Company's activities on its shareholder, its subsidiaries and Group businesses with a vested interest. The Company aims to ensure that all decisions taken, both in relation to the Company itself and its subsidiaries, promote the success of the Company for the benefit of the wider DXC group and its member, whilst maintaining high standards of business conduct and governance.

Details of the key stakeholders and how the Company engages with them are set out below.

Xchanging Holdings Limited

Strategic report for the year ended 31 March 2023 (continued)

Section 172 (1) of the Companies Act 2006 (The "Act") statement (continued)

Business Values:

- As part of DXC's strategic transformation, the Company and its subsidiaries have adopted a 'people first' strategy in relation to both employees and customers. Such an approach is unprecedented in the technology sector, and the Company and its subsidiaries are proud to lead the way in inspiring, engaging, and taking care of their employees, so that they can in turn continue to focus on the Company's customers and helping the wider DXC group to seize the market.
- Linking to this 'people first' strategy, the Company and its subsidiaries adopted DXC's set of values which foster a culture of inclusion, belonging and corporate citizenship. These are: Deliver, Collaborate, Community, Care, and 'Do the Right Thing'.
- The Company has fortnightly board meetings to ensure that the Company's involvement in any inter-company transactions or projects, are given the appropriate time to be considered, and a conclusion reached as to whether such transactions or projects is in the best interests of the Company, as well as its shareholder and other stakeholders.
- The directors' decisions throughout this financial year can be categorised into three main areas: general day-to-day management of the corporate activities conducted by its subsidiaries, involvement with the global legal entity rationalisation project, and certain group refinancing or restructuring projects.
- Any inter-company transactions, or those with inter-company impact, must first be reviewed and approved by the Corporate Finance Executive Committee to ensure that the Company and its subsidiaries comply with the DXC group policies and procedures on such.
- The Company does not follow a specific policy on dividends which are instead declared and paid on an ad hoc basis subject to the financial position of the Company and future forecasting.

Communities and Environment:

- The DXC group has committed to set near-term company-wide emission reductions in line with the Science Based Targets initiative (SBTi).
- IT asset disposal, including servers, computers, laptops and screens from the Company's subsidiary operations and business are reused where possible for a second life. Some of these items are distributed to schools and charities.

Future developments

The Company intends to continue to hold investments in its subsidiary companies.

At the date of the annual report, the Directors are not aware of any changes in the Company's activities in the foreseeable future.

Key performance indicators

The Company is managed by the UKIIMEA (UK, Ireland, Israel, Middle East and Africa) regional management team. The performance and results for all entities are analysed on a worldwide DXC measurement basis, at a business unit and sector level. For this reason, the Directors of the Company believe that analysis using key performance indicators, other than the profit for the year and net assets as set out above, is not appropriate for an understanding of the development, performance or position of the business shown in these financial statements.

Approved by the board and signed on its behalf by:



Hugo Martin Eales
Director

14 December 2023

Xchanging Holdings Limited

Directors' report for the year ended 31 March 2023

The Directors present the annual report on the affairs of the Company, together with the audited financial statements for the year ended 31 March 2023.

Principal activity

Xchanging Holdings Limited is a holding Company and does not trade.

Future development

Future developments have been detailed in page 4 of the Strategic report and form part of this report by cross reference.

Dividends

Dividend of £9,000,000 was paid to DXC UK Operations Limited during current year (2022: Dividend of £40,400,000 was paid to DXC UK Operations Limited).

Dividend of £9,000,000 was received from its subsidiary Xchanging B.V. Limited received during the year ended 31 March 2023 (2022: £40,400,000 was received from its subsidiary Xchanging B.V. Limited.)

Events since the reporting date

Details of significant events after the end of the reporting date are contained in note 17 to the financial statements.

Political contribution

No political donations were made during the year (2022: £nil).

Streamlined Energy and Carbon Report

The Energy and Carbon report provides an overview of the energy and carbon emissions under UK operational control and the mechanisms being put in place to manage these impacts.

The UK Government's 2018 Regulations launched the Streamlined Energy and Carbon Report (SECR) which required all large UK companies to report their carbon emissions and energy usage on an annual basis. The regulations take effect from 1 April 2019 and cover financial reporting years starting after this date. This Company falls within scope of the SECR reporting obligations as a 'large' organisation (more than 250 people) and is required to report the following:

- UK energy use (to include as a minimum purchased electricity, gas and transport)
- Associated greenhouse gas emissions
- At least one intensity ratio
- Previous year's figures for energy use and GHG emissions
- Information about energy efficiency action taken in the organisation's financial year
- Methodologies used in calculation of disclosures.

Baseline and reporting periods

The energy and carbon data, including energy efficiency action and methodologies used, of the Company is included in the energy and carbon report of CSC Computer Sciences Limited ("CSC") and the key consolidated data are reproduced and summarised below. The data of the Company is included in the report of CSC, an affiliate of the Company. CSC is one of DXC's main trading companies in the UK.

For the full energy and carbon report refer to the financial statements of CSC Computer Sciences Limited, which is available on the website of Companies House.

The financial year runs from April to March. The previous year is taken as the comparison reporting (baseline) year, April 2021- March 2022. Prior year information has been disclosed for information purpose only.

Xchanging Holdings Limited**Directors' report for the year ended 31 March 2023 (continued)****Streamlined Energy and Carbon Report (continued)****UK Energy use**

| Energy (kWh) | 31 March 2023 | 31 March 2022 | % change |
|-------------------------------|-------------------|-------------------|-------------|
| Natural gas | 987,599 | 4,692,383 | -79% |
| Diesel | 1,662,817 | 457,589 | 263% |
| Electricity | 60,618,311 | 69,163,867 | -12% |
| Transport - Company vehicles | - | - | 0% |
| Transport - Personal vehicles | 960,588 | 413,490 | 132% |
| Total energy use | 64,229,315 | 74,727,329 | -14% |

Associated greenhouse gas emissions**Location based GHG emissions:**

| GHG emissions (tCO ₂ (e)) | 31 March 2023 | 31 March 2022 | % change |
|--------------------------------------|------------------|------------------|-------------|
| Scope 1 – Gas | 181 | 859 | -79% |
| Scope 1 – Diesel | 432 | 118 | 266% |
| Scope 1 – Transport | - | - | 0% |
| Total Scope 1 | 613 | 977 | -37% |
| Total Scope 2 – Electricity | 11,722 | 14,686 | -20% |
| Total Scope 3 - Personal vehicles | 238 | 102 | 133% |
| Total scopes 1, 2 & 3 | 12,573 | 15,765 | -20% |

Market based GHG emissions:

| GHG emissions (tCO ₂ (e)) | 31 March 2023 | 31 March 2022 | % change |
|--------------------------------------|------------------|------------------|-------------|
| Scope 1 | 613 | 977 | -37% |
| Scope 2 | 200 | 758 | -74% |
| Scope 3 | 238 | 102 | 133% |
| Total scopes 1, 2 & 3 | 1,051 | 1,837 | -43% |

Intensity ratio:**Location based GHG emissions per unit floor area:**

| GHG emissions (kgCO ₂ (e) per m ² floor area) | 31 March 2023 | 31 March 2022 | % change |
|--|------------------|------------------|-------------|
| Scope 1 | 13 | 14 | -7% |
| Scope 2 | 254 | 208 | 22% |
| Scope 3 | 5 | 1 | 245% |
| Total scopes 1, 2 & 3 | 272 | 223 | -22% |

Xchanging Holdings Limited

Directors' report for the year ended 31 March 2023 (continued)

Streamlined Energy and Carbon Report (continued)

Energy use is predominantly in buildings and the site portfolio is variable year on year. Floor area is therefore used as the intensity metric to evaluate efficiency of space. From FY22 to FY23, floor area reduced by 37% and a site is still in scope but vacant, reflecting the company's move to a "Virtual First" approach.

Going concern

The Company is profit making but reports net current liabilities as a result of amounts owed to Group. Confirmation has been obtained from the ultimate Parent Company by way of letter of support, that it will continue to provide financial support to enable the Company to meet its financial obligations for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

As a result, management has a reasonable expectation of the Company's viability over the period of assessment and has concluded that there are currently no impediments of identifying the Company other than as a going concern.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in note 2.

Directors

The following were Directors of the Company during the year and up to the date of this report, except as noted:

Michael Charles Woodfine

Hugo Martin Eales

Steven James Turpie Resigned on 15 July 2022

Research and development

The Company did not undertake any research and development activities in current or previous year.

Branches outside the UK

The Company has no branches outside UK as defined in section 1046(3) of companies act 2006.

Financial risk management objectives and policies

Performance and finance risk management is an integral part of the Company's management processes. Details of the Company's risk management objectives and policies are set out in the Strategic report on page 2 and form part of this report by cross reference.

Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term. The Company has elected to dispense with the obligation to appoint an auditor annually under the provisions of section 485 to 488 of the Companies Act 2006 and appropriate arrangements have been put in place for them to be deemed reappointed in the absence of an Annual General Meeting.

Directors' liabilities

The Company has granted indemnity to its Directors against liability in respect of proceedings brought by third parties, subject to conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision was in force during the year and is in force as at the date of approving the Director's report.

Xchanging Holdings Limited

Directors' report for the year ended 31 March 2023 (continued)

Disclosure of information to auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

1. so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
2. he/she has taken all steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418(2) of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



Hugo Martin Eales
Director

14 December 2023

Xchanging Holdings Limited

Statement of Directors' responsibilities

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), including FRS 101 "Reduced Disclosure Framework".

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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 reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's report to the members of Xchanging Holdings Limited for the year ended 31 March 2023

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Xchanging Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31st March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of profit and loss;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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.

Independent Auditor's report to the members of Xchanging Holdings Limited for the year ended 31 March 2023 (continued)

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team and relevant internal specialists such as tax and IT, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit, in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC.

Independent Auditor's report to the members of Xchanging Holdings Limited for the year ended 31 March 2023 (continued)

Report on other legal and regulatory requirements

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.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

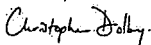
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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.

DocuSigned by:



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Christopher Dolby (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

Reading, United Kingdom

14 December 2023

Xchanging Holdings Limited**Statement of profit and loss for the year ended 31 March 2023**

| | Note | 2023 £'000 | 2022 £'000 |
|----------------------------|-------------|-----------------------|-----------------------|
| Dividend income | 4 | 9,000 | 40,400 |
| Foreign exchange (loss) | | (2) | (132) |
| Other (expense)/income | | (55) | 13 |
| Operating profit | 5 | 8,943 | 40,281 |
| Finance income | 7 | 628 | 512 |
| Finance costs | 8 | (4,612) | (5,181) |
| Profit before tax | | 4,959 | 35,612 |
| Tax credit | 9 | 18 | 939 |
| Profit for the year | | 4,977 | 36,551 |

The above results are wholly attributable to continuing operations.

There is no income or loss for the current or previous year, other than shown above. Accordingly, no Statement of Comprehensive Income has been presented.

The notes on pages 16 to 28 form part of these financial statements.

Xchanging Holdings Limited**Statement of financial position as at 31 March 2023**

| | | At 31 March 2023 £'000 | At 31 March 2022 £'000 |
|--|-------------|---------------------------------------|---------------------------------------|
| Assets | Note | | |
| Non-current assets | | | |
| Investments | 10 | 473,654 | 473,654 |
| Receivables | 11 | - | 1,500 |
| Total non-current assets | | 473,654 | 475,154 |
| Current assets | | | |
| Receivables | 12 | 19,077 | 26,615 |
| Cash and cash equivalents | | 85 | 3,302 |
| Total current assets | | 19,162 | 29,917 |
| Total assets | | 492,816 | 505,071 |
| Liabilities | | | |
| Current liabilities | | | |
| Payables | 13 | (61,212) | (67,770) |
| Total current liabilities | | (61,212) | (67,770) |
| Net current liabilities | | (42,050) | (37,853) |
| Total assets less current liabilities | | 431,604 | 437,301 |
| Non-Current liabilities | | | |
| Payables | 14 | (247,991) | (273,792) |
| Total non-current liabilities | | (247,991) | (273,792) |
| Total liabilities | | (309,203) | (341,562) |
| Net assets | | 183,613 | 163,509 |
| Equity | | | |
| Share capital | 15 | 1,000 | 1,000 |
| Share premium | | 1,621 | 1,621 |
| Other reserves | | 334,727 | 319,600 |
| Retained loss | | (153,735) | (158,712) |
| Total equity | | 183,613 | 163,509 |

The notes on pages 16 to 28 form part of these financial statements.

These financial statements of Xchanging Holdings Limited (registered number 05983022) were approved and authorised for issue by the board of directors on 14 December 2023 and signed on its behalf by:



Hugo Martin Eales
Director

14 December 2023

Xchanging Holdings Limited**Statement of changes in equity for the year ended 31 March 2023**

| | Note | Share capital £'000 | Share premium £'000 | Other reserves* £'000 | Retained loss £'000 | Total £'000 |
|--|-----------|------------------------|---------------------------|-----------------------------|---------------------------|----------------|
| Balance as at 1 April 2021 | | 1,000 | 1,621 | 360,000 | (195,263) | 167,358 |
| Profit and other comprehensive income for the year | | - | - | - | 36,551 | 36,551 |
| Total comprehensive income for the year | | - | - | - | 36,551 | 36,551 |
| Dividends paid | | - | - | (40,400) | - | (40,400) |
| Balance as at 31 March 2022 | | 1,000 | 1,621 | 319,600 | (158,712) | 163,509 |
| Profit and other comprehensive income for the year | | - | - | - | 4,977 | 4,977 |
| Total comprehensive income for the year | | - | - | - | 4,977 | 4,977 |
| Dividends paid** | | - | - | (9,000) | - | (9,000) |
| Gain on disposal of investment@ | | - | - | 24,127 | - | 24,127 |
| Balance as at 31 March 2023 | 15 | 1,000 | 1,621 | 334,727 | (153,735) | 183,613 |

The notes on pages 16 to 28 form part of these financial statements.

*During financial year 2007, a capital reduction of £350 million was made by reducing the par value of share from £1 to £0.125 each for 400,000,000 shares. In addition, during 2018, the Board approved 392,000,000 shares of par value of £0.125 each amounting to £49 million to be cancelled and a reduction in share premium by £91 million. During financial year 2020, a dividend of £1.624 per share (approx.) aggregating to £130 million was paid to Xchanging Limited, the then immediate Parent Company vide board resolution dated 27 November 2019.

**A dividend of £1.125 per share (approx.) aggregating to £9,000,000 was paid to DXC UK International Operations Limited, the immediate Parent Company, as per board resolution dated 13 September 2022.

@ Gain on disposal of investment of one of its subsidiary entity Xchanging EMEA Limited to an entity within the DXC group during the year amounting to £24,127,000 shown under other reserves.

Xchanging Holdings Limited

Notes to the financial statement for the year ended 31 March 2023

1) Basis of accounting and general information

Xchanging Holdings Limited ("the Company") is a holding Company and does not trade.

The Company is a private company limited by shares and is incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is Royal Pavilion, Wellesley road, Aldershot, Hampshire, United Kingdom, GU11 1PZ.

2) Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated. These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. The financial statements of Xchanging Holdings Limited have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101"). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The preparation of the financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101. Where relevant, equivalent disclosures have been given in the consolidated financial statements of DXC Technology (refer note 16) in relation to:

- the disclosure exemptions from IFRS 7 "Financial Instruments: Disclosures";
- the disclosure exemptions from IFRS 13 "Fair Value Measurement" to the extent that they apply to financial instruments;
- the disclosure exemptions from paragraphs 134 to 136 of IAS 1 "Presentation of Financial Statements";
- the disclosure exemptions from paragraphs 10 and 31 of IAS 8 "Accounting policies, Changes in Accounting Estimates and Errors";
- the requirements of IAS 7 "Statement of Cash Flows";
- the disclosure exemptions from paragraphs 30 and 31 of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors";
- the requirements of IAS 24 "Related Parties" to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transactions is wholly owned by such a member; and
- the requirements of IAS 36 "Impairment of Assets".

Going concern

The Company's business activities, together with the factors likely to affect its future development, principal risks and uncertainties, performance and position are set out within the Strategic report and Directors' report.

The Company is profit making, reports net assets, but has net current liabilities due to intercompany loans, and expects dividend income in future from its subsidiaries; thus, the directors have a reasonable expectation that the Company has adequate access to resources from its continuing trading results, reserves and access to group support that it can continue in operational existence for the foreseeable future.

A Going Concern impact assessment has been completed that analysed DXC's current and future cash resources, access to existing and new financing facilities, including revolving facilities, the government support measures that have been announced and the customer base of the Group.

The directors have a reasonable expectation that the Company, and DXC, have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Xchanging Holdings Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

2) Summary of significant accounting policies (continued)

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the Financial Reporting Council ('FRC') which are effective for annual years beginning on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IAS 16 - Property, Plant and Equipment — Proceeds before Intended Use
- Annual Improvements to IFRS Standards 2018–2020 - Annual Improvements to IFRS Standards
- Amendments to IFRS 3 – Reference to the Conceptual Framework
- Amendments to IAS 37 - Onerous Contracts - Cost of Fulfilling a Contract

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2023 that have had a material impact on the Company.

Consolidation

The Company has taken advantage of the exemption under s401 to the Companies Act 2006 from the requirement to produce consolidated financial statements since the Company itself is a wholly owned subsidiary undertaking of DXC Technology Company, a Company registered in the United States of America, which itself prepares consolidated financial statements. The financial statements therefore present information as an individual undertaking and not as a group. Copies of the Group financial statements of DXC Technology Company are available from the registered address: 20408 Bashan Drive, Suite 231, Ashburn, VA 20147, USA.

Foreign currency

Foreign currency transactions are translated into the functional currency of GBP using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates. 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 Statement of profit and loss, except when deferred in other comprehensive income as qualifying cash flow hedges. Foreign exchange gains and losses are presented in the Statement of profit and loss.

Operating profit

Operating profit is arrived at after expensing other expenses, charging/(crediting) foreign exchange loss, gain on transfer of subsidiary and dividend income from subsidiary entity.

Income from shares

Dividend income is recognised when the right to receive the payment is established.

Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the year in which the dividends are approved by the Company's shareholders.

Interest income

Interest income is recognised in the statement of profit and loss using the effective interest method.

Current taxation

Tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholder's funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the date of the Statement of financial position in the countries where the Company operates and generates taxable income. Provisions are made where appropriate on the basis of amounts expected to be paid to the tax authorities.

Xchanging Holdings Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

2) Summary of significant accounting policies (continued)

Investments

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less allowances for impairment, where appropriate.

Impairment of investments

At the reporting date, the Company reviews the carrying amounts of its investments to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Financial assets:

Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost using effective interest method, less any appropriate provision for impairment.

They are included in current assets, except for payment terms greater than twelve months after the end of the reporting year. These are classified as non-current assets.

Derecognition of a financial asset

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. 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 an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and bank overdrafts. In the Statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant year.

Finance costs and debt

Finance costs of debt are recognised in the Statement of profit and loss over the term of such investments at a constant rate on the carrying amount. Debt is initially stated at the amount of the net proceeds after the deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting year and reduced by repayments made in the year.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3) Critical accounting judgements and key sources of estimation uncertainty

Certain accounting policies are critical. An accounting policy is critical if, in the directors' judgement, its selection or application materially affects the financial position or results. The application of the accounting policies also requires the use of estimates and assumptions that affect the financial position or results.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

Xchanging Holdings Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

3) Critical accounting judgements and key sources of estimation uncertainty (continued)

Below is a summary of areas in which estimation is applied primarily in the context of applying critical accounting policies and judgements.

Key sources of estimation of uncertainty

Areas for which there are major sources of estimation uncertainty at the reporting year end that have a significant risk of causing a material adjustment to be made to the carrying value amounts of assets and liabilities are discussed below.

Impairment of investments in subsidiaries

Determining whether Company's investment in subsidiaries have been impaired requires estimation of future cash flows of subsidiaries. If net asset value is less than the investment carrying value, then value in use is considered. The value in use calculations require entity to estimate future cash flows expected to arise from investments and suitable discount rates in order to calculate present values. The carrying amount of investment in subsidiaries in the statement of financial position was £473,654,000 (2022: £473,654,000) with an impairment provision of £nil (2022: £nil) recognised during the year. It is reasonably possible, based on any future knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the affected asset or liability.

Critical judgements in applying the Company's accounting policies

There are no areas for which the judgements are made at the reporting year end that have a significant risk of causing a material adjustment to be made to the carrying value amounts of assets and liabilities.

4) Dividend income

| | 2023 £'000 | 2022 £'000 |
|-----------------|---------------|---------------|
| Dividend income | 9,000 | 40,400 |
| | <u>9,000</u> | <u>40,400</u> |

Dividend of £9,000,000 was received from Xchanging B.V. Limited during the year ended 31 March 2023. (2022: Dividend of £40,400,000 was received from Xchanging B.V. Limited).

5) Operating profit

| | 2023 £'000 | 2022 £'000 |
|--------------------------|---------------|---------------|
| Dividend income (note 4) | 9,000 | 40,400 |
| Foreign exchange (loss) | (2) | (132) |
| Other (expenses)/income | (55) | 13 |
| | <u>8,943</u> | <u>40,281</u> |

During the year, auditor's remuneration is borne by a fellow Group undertaking within DXC Technology. The allocated fee payable to the Company's auditor for the audit of the financial statements is £5,000 (2022: £3,000).

6) Employees and Directors

Employees

There were no employees of the Company during the current year or previous year.

Directors

The total amount paid to the Directors amounts to £1,805,802 which is borne by EntServ UK Limited, DXC UK International Limited, CSC computer science limited. (2022: £2,524,474 which is borne by EntServ UK Limited, DXC UK International Limited, CSC computer science limited). These entities are fellow group undertakings within the DXC Group.

The highest paid Director emolument of £881,827 is paid by DXC UK International Limited (2022: £1,406,695 is paid by DXC UK International Limited).

Xchanging Holdings Limited**Notes to the financial statements for the year ended 31 March 2023 (continued)****7) Finance income**

| | 2023 | 2022 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Interest receivable on loans to fellow Group undertakings | 590 | 503 |
| Bank interest income | 38 | 9 |
| | <u>628</u> | <u>512</u> |

8) Finance costs

| | 2023 | 2022 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Interest payable on loans from fellow Group undertakings | 4,612 | 5,181 |
| | <u>4,612</u> | <u>5,181</u> |

9) Taxation

| | 2023 | 2022 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Current taxation | | |
| UK corporation tax on profit for the year | - | - |
| Adjustment in respect of prior periods | (18) | (939) |
| Total current tax credit | <u>(18)</u> | <u>(939)</u> |
| Deferred tax | - | - |
| Origination and reversal of temporary differences | - | - |
| Impact of change in tax rate | - | - |
| Total deferred tax | <u>-</u> | <u>-</u> |
| Total tax expenses | <u>(18)</u> | <u>(939)</u> |

The tax expense for the year is lower (2022: lower) than the standard rate of corporation tax in the UK for the year ended 31 March 2023 of 19% (2022:19%). The differences are explained below:

| | 2023 | 2022 |
|---|--------------|---------------|
| | £'000 | £'000 |
| Profit/(loss) before tax | 4,959 | 35,612 |
| Results multiplied by the standard rate of tax in the UK of 19% (2022: 19%) | 942 | 6,766 |
| Effects of: | | |
| - Expenses not deductible for tax purposes | 10 | - |
| - Income not subject to tax | (1,710) | (7,676) |
| - Group relief | 758 | 945 |
| - Adjustment to tax charge in respect of prior periods | (18) | (939) |
| -Transfer pricing adjustment | - | (35) |
| Tax (credit) for the year | <u>(18)</u> | <u>(939)</u> |

The Finance Act 2021 included legislation to increase to the UK's main corporation tax rate from 19% to 25%, effective from 1st April 2023. This change was enacted at the balance sheet date, and as a result deferred tax balances have been measured at that rate. The rate of 25% (2022: 25%) has been used to calculate the deferred tax asset/(liability).

Xchanging Holdings Limited**Notes to the financial statements for the year ended 31 March 2023 (continued)****10) Investments**

| | Investments in subsidiaries £'000 |
|---------------------------------|--|
| Cost | |
| At 31 March 2022 | 592,100 |
| Disposal | (36,400) |
| | <hr/> |
| At 31 March 2023 | 555,700 |
| | <hr/> |
| Provision for impairment | |
| At 31 March 2022 | (118,446) |
| Reversal | 36,400 |
| | <hr/> |
| At 31 March 2023 | (82,046) |
| | <hr/> |
| Net book value | |
| At 31 March 2022 | 473,654 |
| | <hr/> |
| At 31 March 2023 | 473,654 |
| | <hr/> |

Investments in subsidiaries are all stated at cost less allowance for impairment.

Xchanging Holdings Limited**Notes to the financial statements for the year ended 31 March 2023 (continued)****10) Investments (continued)**

Further information on shares held by the Company as at 31 March 2023 are below:

Direct subsidiaries

| Name | Country of incorporation and principal place of business | Principal activity | Effective interest and proportion of ordinary shares held | |
|--|--|--------------------|---|------|
| | | | 2023 | 2022 |
| Xchanging Software Europe Limited | 156, Great Charles Street Queensway Birmingham West Midlands B3 3HN | Liquidated | - | 100% |
| #Xchanging EMEA Limited | The Shard 32 London bridge street London SE1 9SG | In Liquidation | - | 66% |
| Total Objects Limited | 156, Great Charles Street Queensway Birmingham West Midlands B3 3HN | Liquidated | - | 100% |
| BTO Group LLC | Russia 61, Vyborgskaya embarkment St.Petersburg, 197342 | Computer services | 100% | 100% |
| Xchanging Software Europe (Regional Hub) Limited | The Shard 32 London bridge street London SE1 9SG | Liquidated | - | 100% |
| Xchanging B.V. | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Holding company | 100% | 100% |

#Parent Company changed to "Computer Sciences Corporation", instead of "Xchanging Holdings Limited".

Xchanging Holdings Limited**Notes to the financial statements for the year ended 31 March 2023 (continued)****10) Investments (continued)****Indirect Subsidiaries**

| Name | Country of incorporation and principal place of business | Principal activity | Effective interest and proportion of ordinary shares held | |
|-------------------------------------|--|---------------------------|--|-------------|
| | | | 2023 | 2022 |
| Xpanse No 2 Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Corporate | 100% | 100% |
| Xchanging (Mauritius) Limited | Mauritius C/o Abax Corporate services 6th Floor, Tower A1 Cyber city, Ebene 1 | Corporate | 100% | 100% |
| Xpanse Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Corporate | 100% | 100% |
| Xchanging UK Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Corporate | 100% | 100% |
| @Xchanging Italy Holding S.r.L. | Italy Via Della chiusa 2 via della Milan I-20213 | Holding company | - | 100% |
| Xchanging Claims Services Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Insurance services | 50% | 50% |
| LCO Marine Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Insurance services | 50% | 50% |
| LCO Non-Marine and Aviation Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Insurance services | 50% | 50% |

Xchanging Holdings Limited**Notes to the financial statements for the year ended 31 March 2023 (continued)****10) Investments (continued)****Indirect subsidiaries (continued)**

| Name | Country of incorporation and principal place of business | Principal activity | Effective interest and proportion of ordinary shares held | |
|---|--|---------------------------|--|-------------|
| | | | 2023 | 2022 |
| Xchanging Solutions (USA), Inc. | Delaware Corporation Trust centre 1209, Orange street Wilmington DE 19801 | Procurement | 100% | 100% |
| Xchanging Technology Services India Private Limited | India 33, Coconut grove 1A Cross 6th Block, 18th Main road Koramangala Bengaluru 95 | Computer services | 100% | 100% |
| Xchanging Solutions (Singapore) Pte Limited | Singapore 13 International Business park #06-01 Singapore, 609932 | Computer services | 100% | 100% |
| Xchanging Builders (India) Private Limited | India SJR I Park Plot number 13,14,15 EPIP Industrial area Whitefield, Bengaluru 66 | Infrastructure services | 100% | 100% |
| Xchanging Solutions Limited | India SJR I Park Plot number 13,14,15 EPIP Industrial area Whitefield Bengaluru 66 | Computer services | 75% | 75% |
| Nexplicit Infotech India Private Limited | India SJR I-Park, Plot 13,14,15 EPIP Industrial area Phase I, Whitefield Bangalore 66 | In liquidation | 100% | 100% |

Xchanging Holdings Limited**Notes to the financial statements for the year ended 31 March 2023 (continued)****10) Investments (continued)****Indirect subsidiaries (continued)**

| Name | Country of incorporation and principal place of business | Principal activity | Effective interest and proportion of ordinary shares held | |
|--|--|---------------------------|--|-------------|
| | | | 2023 | 2022 |
| Xchanging Broking Services Limited | The Shard, 32, London bridge street London SE1 9SG | Liquidated | - | 100% |
| Xchanging (Rebus) Pension Trustees Limited | The Shard, 32 London bridge street London SE1 9SG | Liquidated | - | 100% |
| Xchanging Global Insurance Systems Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Technology | 100% | 100% |
| Ins-Sure Holdings Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Insurance services | 50% | 50% |
| Ins-Sure Services Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Insurance services | 50% | 50% |
| LPSO Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Insurance services | 50% | 50% |
| London Processing Centre Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Insurance services | 50% | 50% |

Xchanging Holdings Limited**Notes to the financial statements for the year ended 31 March 2023 (continued)****10) Investments (continued)****Indirect subsidiaries (continued)**

| Name | Country of incorporation and principal place of business | Principal activity | Effective interest and proportion of ordinary shares held | |
|--|--|--------------------|---|------|
| | | | 2023 | 2022 |
| Xchanging Global Insurance Solutions Limited | United Kingdom Royal Pavilion Wellesley Road Aldershot, Hampshire GU11 1PZ | Technology | 100% | 100% |
| Xchanging Asia Pacific Sdn Bhd | Malaysia HP Global Center, Persiaran Rimba Permai Cyber 8, 63000, Cyberjaya, Selangor Darul Ehsan | Computer services | 100% | 100% |
| @Xchanging Italy S.p.A. | Italy Via della Chiusa 2 Milano 20123 Italy | IT services | - | 100% |
| Xchanging Malaysia Sdn Bhd | Pusat Data Wimax Jalan Strachan Kuala Lumpur 51100 | Computer services | 50% | 50% |

@Represent the entities for which ownership was changed during the year from Xchanging B.V. Limited to Enterprise Services Italia S.r.l.

Xchanging Holdings Limited**Notes to the financial statements for the year ended 31 March 2023 (continued)****11) Receivables: disclosed as non-current assets**

| | At 31 March 2023 £'000 | At 31 March 2022 £'000 |
|---|---------------------------------|------------------------------|
| Loans owed by fellow Group undertakings | - | 1,500 |
| Amounts owed by fellow Group undertakings | - | - |
| | <u>-</u> | <u>1,500</u> |

Loan receivable balance relates to the loan of £1.5m owed by Xchanging UK Limited at interest of 3.5% plus SONIA (2022: 3.5% plus LIBOR) repayable on 31 December 2023, this is reclassified to current assets from non-current assets during the year.

12) Receivables: disclosed as current assets

| | At 31 March 2023 £'000 | At 31 March 2022 £'000 |
|---|------------------------------|------------------------------|
| Loan owed by fellow group undertakings | 19,022 | 25,676 |
| Amounts owed to fellow Group undertakings | 37 | - |
| Group relief tax receivable | 18 | 939 |
| | <u>19,077</u> | <u>26,615</u> |

Loans owed by fellow Group undertakings balance of £19m comprises of £8.02m with Xchanging UK Limited at interest of 3.039% (2022: 1% plus LIBOR) which is repayable on demand and the balance of £9.5m with DXC UK International Operations Limited carrying an interest rate of 4.543% (2022: average interest rate of 1.813%) which are repayable on 31 March 2024. This also include loan of £1.5m owed by Xchanging UK Limited at interest of 3.5% plus SONIA (2022: 3.5% plus LIBOR) repayable on 31 December 2023 is reclassified to current assets from non-current assets during the year.

The loan balance of £8.13m with Xchanging Global Insurance Solutions Limited outstanding as of March'22 was settled during the year.

13) Payables: disclosed as current liabilities

| | At 31 March 2023 £'000 | At 31 March 2022 £'000 |
|---|------------------------------|------------------------------|
| Loan payable to subsidiary undertaking | 59,479 | 65,139 |
| Amounts owed to subsidiary undertakings | 1,728 | 2,631 |
| Accrued audit fee | 5 | - |
| | <u>61,212</u> | <u>67,770</u> |

Loan payable balance of £59.4m relates to Xchanging UK Limited carrying an interest rate of 4.178% (2022: 325 basis points above the Bank of England base rate which varies from time to time) and is repayable on 31 March 2024.

Amounts owed to subsidiary undertakings are subject to normal DXC intercompany trading terms of payment which are unsecured, interest free and the intended repayment is within 12 months.

Xchanging Holdings Limited**Notes to the financial statements for the year ended 31 March 2023 (continued)****14) Payables disclosed as non-current liabilities**

| | At 31 March 2023 £'000 | At 31 March 2022 £'000 |
|---|------------------------------|------------------------------|
| Loan payable to subsidiary undertaking | 63,114 | 87,241 |
| Amount owed to Parent undertakings > 1 year | 183,509 | 183,509 |
| Amount owed to fellow group undertakings > 1 year | 1,368 | 3,042 |
| | <u>247,991</u> | <u>273,792</u> |

Loan balance of £87.24m relates to amount owed to Xchanging UK Limited, for which there is partial loan repayment amounting to £24.13m happened during the current year.

Amount owed to fellow group undertaking comprises of balance of £3.04m amount owed to Xchanging UK Limited, for which partial settlement happened during the year and balance unsettled interest accruals has been reclassified to loan payable as the settlement going to happen beyond 31 March 2024.

The balance £183m payable to parent undertaking DXC UK International Operations Limited which is unsecured, interest free and repayable on demand. As this is intended to be settled beyond 31 March 2024. Hence shown under non-current liabilities.

15) Share capital

| | At 31 March 2023 £'000 | At 31 March 2022 £'000 |
|--|------------------------------|------------------------------|
| Authorised, allotted, issued and fully paid: 8,000,003 (2022: 8,000,003) ordinary shares of £0.125 each | <u>1,000</u> | <u>1,000</u> |

16) Controlling parties

The ultimate Parent Company and controlling entity is DXC Technology, a Company incorporated in the United States of America. It is the Parent undertaking of both the smallest and the largest Group which includes the Company, and for which Group financial statements are prepared for the year ended 31 March 2023. Copies of the Group financial statements of DXC Technology is available from 20408 Bashan Drive, Suite 231, Ashburn, VA 20147 USA which is the registered office address.

The immediate Parent Company is CSC Computer Sciences International Operations Limited, which is under control of DXC Technology, a Company incorporated in United Kingdom, and have the same registered office of the Company. On 3 April 2020, the name of CSC Computer Sciences International Operations Limited was changed to DXC UK International Operations Limited.

17) Events after the end of reporting date

There are no material or significant events that occurred in the period from 31 March 2023 to the date of reporting that would require adjustment to or disclosure in the financial statements.