

MASTEK SYSTEMS PTY. LIMITED
(FORMERLY EVOLUTIONARY SYSTEMS PTY LTD)
ABN 22 615 406 221

FINANCIAL REPORT1
FOR THE YEAR ENDED 31 MARCH 2024

REPORT OF THE DIRECTORS

Your directors present this report on the company for the year ended 31 March 2024.

The names of the directors in office during the whole of the financial year and up to the date of this report are:

Mr. Arun Agarwal – Director
Mr. Domenic Cernigliaro – Director
Mr. Rakesh Raman – up to August 1, 2023

Principal Activities

The principal activity of the company during the year consisted of Oracle Cloud implementation and consultancy to cater to the needs of a market which demands high-quality, future-proof solutions. Otherwise, no significant changes in the company's state of affairs occurred during the year.

Operating Results

The company made an operating profit of AUD 6,06,524 for the year 2024 (previous year loss of AUD 513,600).

Dividends

No recommendation for payment of dividends has been made.

Share Options

No options over issued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the date of this report.

Matters subsequent to balance sheet date

No matters or circumstances have arisen since the end of the year, which have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in the year subsequent to 31 March 2024.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial year.

Likely developments and expected results of operations

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Directors' benefits

Since the end of the year, no director has received or has become entitled to receive a benefit such as would be required to report pursuant to section 309 of the Corporation law.

At the date of this report, no director has any interest in a contract or proposed contract with the company and none has been entered into since the end of the previous year.

Indemnification of Directors or Auditor

No indemnity agreements have been entered between the company and any of the directors or officers.

The company makes no contribution to any indemnity insurance premium to insure against the Liabilities of a Director, Officer or Auditor.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company, or intervene in any proceedings to which the company is a party for the purposes of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Auditor's Independence Declaration

To the Directors of Mastek Systems Pty Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Mastek Systems Pty Limited for the year ended 31 March 2024, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



C D Philp
Partner – Audit & Assurance

Brisbane, 30 July 2024

Mastek Systems Pty Limited
Statement of financial position
As at 31 March 2024

	Note	2024	2023
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	7	26,88,838	12,85,351
Trade and other receivables	8	18,78,288	18,72,279
Contract assets	9	22,32,086	8,16,665
Other	10	3,74,974	4,28,741
Total current assets		71,74,186	44,03,036
Non- current Assets			
Property plant and equipment	11	13,157	-
Deferred tax assets	6	3,75,545	3,34,572
Related party receivables	12	37,04,123	34,54,989
Total non-current assets		40,92,825	37,89,561
Total assets		1,12,67,011	81,92,597
Current liabilities			
Trade and other payables	13	25,34,923	10,50,028
Contract liabilities	14	13,43,206	12,28,797
Income Tax payable	15	3,00,911	-
Employee benefits payable	16	10,57,439	4,89,036
Other	17	2,33,058	2,33,786
Total liabilities		54,69,537	30,01,647
Net assets		57,97,474	51,90,950
Equity			
Issued share capital	18	50,000	50,000
Retained Profits	19	57,47,474	51,40,950
Total equity		57,97,474	51,90,950

The above statement of financial position should be read in conjunction with the accompanying notes

Mastek Systems Pty Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2024

	Note	2024	2023
		\$	\$
Revenue	3	1,21,49,674	83,82,426
Other income	4	2,31,167	52,055
Expenses			
Employee benefit expenses		24,95,770	20,62,948
Project Cost	5	81,53,743	61,92,790
Depreciation	5	1,857	-
Impairment of receivables		(1,00,910)	1,65,106
Other expenses	5	9,58,100	7,83,961
Finance Costs	5	5,819	9,208
Profit/(Loss) before income tax expenses		8,66,462	(7,79,532)
Income tax expense	6	2,59,938	(2,65,932)
Profit/(Loss) after income tax expense for the year attributable to the owners of Mastek Systems Pty Limited		6,06,524	(5,13,600)
Other comprehensive income for the year, net of tax		-	-
Total Comprehensive income/(loss) for the year attributable to the owners of Mastek Systems Pty Limited		6,06,524	(5,13,600)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Mastek Systems Pty Limited
Statement of cash flows
For the year ended 31 March 2024

	Note	2024	2023
		\$	\$
Cash flow from operating activities			
Receipts from customers (inclusive of GST)		1,19,67,092	91,27,948
Payments to suppliers and employees (inclusive of GST)		(1,05,86,794)	(88,54,820)
Interest received		1,28,478	43,384
Interest and other finance costs paid		(5,819)	(9,208)
Income taxes paid		1,64,678	(2,42,257)
Cash flows from operating activities before working capital changes		<u>16,67,635</u>	<u>65,048</u>
Net cash flows from operating activities		<u>16,67,635</u>	<u>65,048</u>
Cash flow from investing activities			
Purchase of fixed assets		(15,014)	-
Loan given		(2,49,134)	(34,54,989)
Net cash flow used in investing activities		<u>(2,64,148)</u>	<u>(34,54,989)</u>
Net increase in cash and cash equivalents		14,03,487	(33,89,942)
Cash and cash equivalents at the beginning of the financial year		12,85,351	46,75,292
Cash and cash equivalents at the end of the financial year	7	<u>26,88,838</u>	<u>12,85,351</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Mastek Systems Pty Limited
Statement of changes in equity
For the year ended 31 March 2024

Particulars	Issued capital	Retained Profits	Total Equity
	\$	\$	\$
Balance at April 1, 2022	50,000	56,54,550	57,04,550
Loss after income tax expense for the year	-	(5,13,600)	(5,13,600)
Balance at March 31, 2023	50,000	51,40,950	51,90,950
Balance at April 1, 2023	50,000	51,40,950	51,90,950
Profit after income tax expense for the year	-	6,06,524	6,06,524
Balance at March 31, 2024	50,000	57,47,474	57,97,474

The above statement of changes in equity should be read in conjunction with the accompanying notes

Mastek Systems Pty Limited
Summary of material accounting policy and other explanatory information
As at and for the year ended 31 March 2024

Note 1. Material accounting policy information

Mastek Systems Pty. Ltd. ('the Company') is a company limited by shares, incorporated and domiciled in Australia.

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2

Foreign currency translation

The financial statements are presented in Australian dollars, which is Pinnacle Foreign Controlled Company Simplified Disclosures Pty Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

The company recognises revenue as follows:

When a performance obligation is satisfied, the company recognises as revenue the amount of the transaction price (which excludes estimates of variable consideration) that is allocated to that performance obligation. Transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

The company derives revenue primarily from Information Technology services which includes IT Outsourcing services, support and maintenance services. The company recognises revenue over time, over the period of the contract, on transfer of control of deliverables (solutions and services) to its customers in an amount reflecting the consideration to which the company expects to be entitled. To recognise revenues, company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied.

The company accounts for a contract when it has approval and commitment from all parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Fixed Price contracts related to application development, consulting and other services are single performance obligation or a stand-ready performance obligation, which in either case is comprised of a series of distinct services that are substantially the same and have the same pattern of transfer to the customer (i.e. distinct days or months of service). Revenue is recognised in accordance with the method prescribed for measuring progress i.e. percentage of completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimates are evaluated at every reporting period and the revisions on account of changes in estimates are recognized prospectively in the period in which the changes are effected. Revenues relating to time and material contracts are recognised as the related services are rendered.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.'

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been companyed based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets

Contract assets are recognised when the company has transferred goods or services to the customer but where the company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Revenue from contracts with customers involving sale of goods

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Determination of variable consideration

Judgement is exercised in estimating variable consideration which is determined having regard to past experience with respect to the goods returned to the company where the customer maintains a right of return pursuant to the customer contract or where goods or services have a variable component. Revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, companyed based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each company. These assumptions include recent sales experience and historical collection rates.

Income tax

The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Mastek Systems Pty Limited
Notes to the financial statements
For the year ended 31 March 2024

3 Revenue

	2024	2023
	\$	\$
<i>Revenue from contracts with customers</i>		
Rendering of services	1,21,49,674	83,82,426
	<u>1,21,49,674</u>	<u>83,82,426</u>

The following table presents revenue disaggregated by timing of recognition:

	2024	2023
	\$	\$
Services transferred over time	30,98,730	32,17,928
Goods transferred at a point in time	90,50,944	51,64,498
	<u>1,21,49,674</u>	<u>83,82,426</u>

4 Other income

	2024	2023
	\$	\$
Interest income	1,28,478	43,384
Rechargeable expense	91,983	6,461
Other	10,706	2,210
	<u>2,31,167</u>	<u>52,055</u>

5 Expenses

Profit before income tax includes the following specific expenses:

	2024	2023
	\$	\$
Depreciation	1,857	-
Finance costs		
Interest and finance charges paid	5,819	9,208
Project costs		
Subcontractor cost	81,53,743	61,92,790
Other expenses		
Corporate administration	7,74,267	7,30,917
Auditor's remuneration	17,220	17,219
Professional fees	43,610	35,825
Other expenses	1,23,003	-
	<u>9,58,100</u>	<u>7,83,961</u>

6 Income tax expense

	2024	2023
	\$	\$
Income tax expenses		
Current tax	3,00,911	-
Deferred tax - origination and reversal of temporary differences	(40,973)	(3,32,647)
Adjustment recognised for prior periods	-	66,715
Aggregate income tax expenses	<u>2,59,938</u>	<u>(2,65,932)</u>

Deferred tax asset comprises temporary differences attributable to:

Increase in deferred tax assets	40,973	3,32,647
Movements:		
Opening balance	3,34,572	1,925
Credited/(Debited) to profit or loss	40,973	3,32,647
Closing balance	<u>3,75,545</u>	<u>3,34,572</u>

Numerical reconciliation of income tax expense and tax at the statutory rate Profit before income tax expense

Tax at the statutory tax rate of 30%	8,66,462	(7,79,532)
Adjustment recognised for prior periods	<u>2,59,939</u>	<u>(2,33,860)</u>
Income tax expenses	<u>-</u>	<u>(32,072)</u>
	<u>2,59,939</u>	<u>(2,65,932)</u>

Mastek Systems Pty Limited
Notes to the financial statements
For the year ended 31 March 2024

7 Current Assets - Cash and cash equivalents

	2024	2023
	\$	\$
Cash at bank	26,88,838	12,85,351
	<u>26,88,838</u>	<u>12,85,351</u>

8 Current Assets - Trade and other receivables

	2024	2023
	\$	\$
Trade receivables	19,50,184	20,45,085
Less: Allowance for expected credit loss	(71,896)	(1,72,806)
	<u>18,78,288</u>	<u>18,72,279</u>

9 Current Assets - Contract assets

	2024	2023
	\$	\$
Contract assets	23,00,670	8,16,665
Less: Provision for Impairment	(68,584)	-
	<u>22,32,086</u>	<u>8,16,665</u>

10 Current Assets - Other

	2024	2023
	\$	\$
Deposit and prepayments	80,679	10,741
Advance Income tax	2,94,295	4,18,000
	<u>3,74,974</u>	<u>4,28,741</u>

11 Non- current Assets - Property, plant and equipment

	2024	2023
	\$	\$
Computer - at cost	10,808	13,908
Less: Accumulated depreciation	(1,857)	(13,908)
Capital Work in progress	4,206	-
	<u>13,157</u>	<u>-</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current financial year are set out below:

	Computer	Total
Balance as on April 01, 2023	-	-
Addition	10,808	10,808
Disposal	-	-
Depreciation expenses	(1,857)	(1,857)
Balance as on March 31, 2024	<u>8,951</u>	<u>8,951</u>

12 Related party receivables

	2024	2023
	\$	\$
Inter Company Loan*	37,04,123	34,54,989
	<u>37,04,123</u>	<u>34,54,989</u>

*Loan to related party are repayable in 12 month or repayment date whichever is later and carries interest of SONIA + 160 bps. Repayment date may be updated as per mutual agreement by the party.

13 Current liabilities - Trade and other payables

	2024	2023
	\$	\$
Trade payable	3,15,190	1,48,467
Related Party Payable	22,19,733	9,01,561
	<u>25,34,923</u>	<u>10,50,028</u>

Mastek Systems Pty Limited
Notes to the financial statements
For the year ended 31 March 2024

14 Current liabilities - Contract liabilities

	2024	2023
	\$	\$
Contract liabilities	13,43,206	12,28,797
	<u>13,43,206</u>	<u>12,28,797</u>

15 Current liabilities - Income Tax/(Advance income tax)

	2024	2023
	\$	\$
Provision for income tax	3,00,911	-
	<u>3,00,911</u>	<u>-</u>

16 Current liabilities - Employee benefits

	2024	2023
	\$	\$
Sales incentive	9,52,427	3,86,865
Employee related payables	1,05,012	1,02,171
	<u>10,57,439</u>	<u>4,89,036</u>

17 Current liabilities - Other

	2024	2023
	\$	\$
GST/ Sales tax payable	1,97,010	2,33,786
Others	36,048	-
	<u>2,33,058</u>	<u>2,33,786</u>

18 Equity - Issued capital

	2024	2023
	\$	\$
Ordinary shares - fully paid	50,000	50,000

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

19 Equity - Retained profits

	2024	2023
	\$	\$
Retained profits at the beginning of the financial year	51,40,950	56,54,550
Profit after income tax expense for the year	6,06,524	(5,13,600)
	<u>57,47,474</u>	<u>51,40,950</u>

Mastek Systems Pty Limited
Notes to the financial statements
For the year ended 31 March 2024

20 Remunerations of auditors

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd, the auditor of the company:

	2024	2023
	\$	\$
<i>Audit services - Grant Thornton Audit Pty Ltd</i>		
Audit of the financial statements	17,220	17,219

21 Contingent liabilities & Capital Commitment

There are no contingent liabilities & capital commitment for FY 2023-24 and FY 2022-23 as well.

22 Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2024	2023
	\$	\$
Aggregate compensation	2,24,108	2,60,008

23 Related party disclosures

The immediate parent entity is Mastek Enterprise Solution Private Limited (incorporated in India), which at 31 March 2024 owned 100% (2023: 100%) of the issued share capital of the company. The ultimate parent entity is Mastek Limited (incorporated in the India), a company listed on Stock Exchange in India.

Related party disclosures (relationships have been disclosed to the extent transactions have taken place and for relationships of control)

Name of related party	Nature of relationship	Country of incorporation
Mastek Limited	Ultimate Holding Company	India
Mastek Enterprise Solution Private Limited	Holding Company	India
Evolutionary Systems Consultancy LLC	Fellow Subsidiary Company	UAE
Mastek Arabia FZ LLC	Fellow Subsidiary Company	UAE
Trans American Information Systems Inc	Fellow Subsidiary Company	United States of America
Mastek Systems (Singapore) PTE Ltd.	Fellow Subsidiary Company	Singapore

Key management personnel

Disclosures relating to key management personnel are set out in note 22

Nature of transactions	2024	2023
	\$	\$
Salaries and other employee benefits	2,24,108	2,60,008

Transactions with related parties

The following transactions occurred with related parties:

Payment for goods and services:		
Payment for professional fees	63,71,850	-
Employee stock compensation expenses	40,164	-
Receipt of interest income	(1,21,678)	(19,741)

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

Current payables:		
Trade payable to related parties	22,36,440	10,34,490
Loan to related parties	37,04,123	34,54,989

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

24 Franking credits

	2024	2023
	\$	\$
Franking credits available for subsequent financial years based on a tax rate of 30%	24,93,301	26,16,278
	<u>24,93,301</u>	<u>26,16,278</u>

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for
-franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
-franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
-franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Mastek Systems Pty Limited
Notes to the financial statements
For the year ended 31 March 2024

25 Events after the reporting period

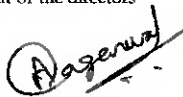
No matter or circumstance has arisen since 31 March 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

In the directors' opinion:

- The attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements
- The attached financial statements and notes give a true and fair view of the company's financial position as at 31 March 2024 and of its performance for the financial year ended on that date; and
- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink that reads "Arun Agrawal". The signature is written in a cursive style and is enclosed within a hand-drawn circle.

Arun Agrawal
Director

30 July 2024
Mumbai, India

Grant Thornton Audit Pty Ltd

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Independent Auditor's Report

To the Members of Mastek Systems Pty Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Mastek Systems Pty Limited (the Company), which comprises the statement of financial position as at 31 March 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the Directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Company's financial position as at 31 March 2024 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 March 2024, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, 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 report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



Grant Thornton Audit Pty Ltd
Chartered Accountants



C D Philp
Partner – Audit & Assurance

Brisbane, 30 July 2024