

MASTEK SYSTEMS (MALAYSIA) SDN. BHD.
201501014899 (114023-U) (Incorporated in Malaysia)
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

in RM

	Note no.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,097	2,465
Deferred tax asset	6	1,79,476	7,358
Total non-current assets		1,80,573	9,823
Current assets			
Trade & Other receivables and Other Assets	7	41,11,032	46,23,982
Cash and bank balances	9	32,72,652	19,61,794
Current tax assets		2,02,975	1,13,366
Total current assets		75,86,659	66,99,142
Total assets		77,67,232	67,08,965
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	5,000	5,000
Retained earnings		40,20,219	40,52,957
Total equity		40,25,219	40,57,957
LIABILITIES			
Current liabilities			
Accounts, other payables, accrued and other liabilities	11	37,42,013	26,51,008
Current tax liabilities		-	-
Total current liabilities/Total liabilities		37,42,013	26,51,008
Total equity and liabilities		77,67,232	67,08,965

The accompanying notes form an integral part of the financial statements

MASTEK SYSTEMS (MALAYSIA) SDN. BHD.
 201501014899 (114023-U) (Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

in RM

	Note no.	Year ended	Year ended
		31 March 2024	31 March 2023
INCOME			
Revenues		52,04,196	73,41,540
Cost of revenues	12	(44,93,788)	(61,56,549)
Gross profit		7,10,408	11,84,991
EXPENSES			
Depreciation		(1,367)	(1,416)
Other operating expenses	13	(8,59,520)	(1,86,096)
		(8,60,887)	(1,87,512)
Other income	14	1,09,097	2,64,441
Profit before tax		(41,382)	12,61,920
Tax expense	15	8,645	(3,48,214)
Total comprehensive income for the year attributable to:			
Owner of the Company		(32,737)	9,13,706

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MASTEK SYSTEMS (MALAYSIA) SDN. BHD.
201501014899 (114023-U) (Incorporated in Malaysia)
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024

in RM

	Year ended 31 March 2024	Year ended 31 March 2023
<u>Cash flows from operating activities</u>		
Profit before tax	(41,382)	12,61,920
Adjustments for:		
Provision for doubtful debts	7,16,470	-
Impairment loss on trade receivables	-	(2,55,434)
Interest Income	(68,454)	(9,007)
Depreciation of property, plant and equipment	1,367	1,416
Cash flows from operating activities before working capital changes	6,08,001	9,98,895
Changes in accounts and other receivable	(2,03,520)	(29,93,172)
Changes in amount due from customers	-	31,33,474
Changes in accounts, other payables and accrued liabilities	10,91,005	(11,50,416)
Changes in amount due to customers	-	(13,097)
Cash flows generated from operating activities	14,95,486	(24,316)
Tax paid	(2,53,082)	(12,02,197)
Net cash flows generated from operating activities	12,42,404	(12,26,513)
Cash flows from investing activity		
Purchase of property, plant and equipment	-	-
Net cash flows used in investing activity	-	-
Cash flows from Financing activity		
Interest Income	68,454	9,007
Net cash flows used in investing activity	68,454	9,007
Net changes in cash and cash equivalents	13,10,858	(12,17,506)
Cash and cash equivalents at the beginning of the year	19,61,794	31,79,300
Cash and cash equivalents at the end of the year	32,72,652	19,61,794

Cash and cash equivalents included in the statement of cash flows comprise the following:

Bank balance	32,72,652	19,61,794
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MASTEK SYSTEMS (MALAYSIA) SDN. BHD.
 201501014899 (114023-U) (Incorporated in Malaysia)
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

	In RM		
	Share capital	Retained earnings	Total
Balance as at 1 April 2022	5,000	31,39,251	31,44,251
Total comprehensive income for the year	-	9,13,706	9,13,706
Balance as at 31 March 2023	5,000	40,52,957	40,57,957
Total comprehensive income for the year	-	(32,737)	(32,737)
Balance as at 31 March 2024	5,000	40,20,219	40,25,219

The accompanying notes form an integral part of the financial statements

MASTEK SYSTEMS (MALAYSIA) SDN. BHD.

201501014899 (114023-U) (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**(Amount in RM unless otherwise stated)****5 Property, plant and equipment**

Particulars	Computers	Total
As at April 1, 2022	4,235	4,235
Additions	-	-
Disposal	-	-
As at 31 March 2023	4,235	4,235
Additions	-	-
Disposal	-	-
As at 31 March 2024	4,235	4,235
Accumulated depreciation		
As at April 1, 2022	354	354
Charge for the year	1,416	1,416
Reversal during the year	-	-
As at 31 March 2023	1,770	1,770
Charge for the year	1,367	1,367
Reversal during the year	-	-
As at 31 March 2024	3,137	3,137
<u>Net carrying amount</u>		
As at 31 March 2024	1,097	1,097
As at 31 March 2023	2,465	2,465
As at 31 March 2022	3,881	3,881

6 Deferred tax assets

	As at 31 March 2024	As at 31 March 2023
Brought forward	7,358	69,000
Recognised in profit or loss	1,72,118	(61,642)
Carried forward	1,79,476	7,358

The deferred tax assets as at the end of the reporting year are made up of the temporary differences arising from:-

	As at 31 March 2024	As at 31 March 2023
Provision for doubtful debts	1,79,740	7,787
Fixed assets	(263)	(429)
	1,79,477	7,358

MASTEK SYSTEMS (MALAYSIA) SDN. BHD.
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
(Amount in RM unless otherwise stated)

7 Accounts and other receivables

	As at 31 March 2024	As at 31 March 2023
Accounts receivables	20,50,067	11,55,647
Provision for doubtful debt	(81,416)	(32,444)
	19,68,651	11,23,203
Tender deposit	-	5,000
Amount due from holding company	(9,892)	-
Other receivables	17,50,317	15,68,173
	37,09,076	26,96,376

The movement of provision for doubtful debts is as follows :-

	As at 31 March 2024	As at 31 March 2023
Brought forward	32,444	2,87,878
Charge for the financial year	48,972	(2,55,434)
Carried forward	81,416	32,444

The normal credit terms granted by the Company to the account receivables ranged from 30 to 60 days (2022: 30 to 60 days)

8 Amount due from/(to) customers

	As at 31 March 2024	As at 31 March 2023
Contract cost incurred till date	31,26,918	62,20,510
Add: Attributable profit	15,68,242	42,64,628
	46,95,160	1,04,85,138
Less: Progress billing issued to date	(36,25,705)	(85,57,532)
	10,69,454	19,27,606
Less: Provision for doubtful debt	(6,67,498)	-
Amount due from customers	4,01,956	19,27,606

	As at 31 March 2024	As at 31 March 2023
Contract cost incurred till date	62,27,930	12,80,992
Add: Attributable profit	38,85,766	7,12,925
	1,01,13,696	19,93,917
Less: Progress billing issued to date	(1,19,07,385)	(22,52,217)
Amount due to customers	(17,93,691)	(2,58,300)

9 Cash and bank balances

	As at 31 March 2024	As at 31 March 2023
In current account	32,72,652	19,61,794
	32,72,652	19,61,794

10 Share capital

	As at 31 March 2024	As at 31 March 2023
Issued and paid up capital		
5,000 shares of RM 1 each	5,000	5,000
	5,000	5,000

11 Accounts, other payables and accrued liabilities

	As at 31 March 2024	As at 31 March 2023
Accounts payable	86,225	71,238
Accrued liabilities	28,148	21,200
Duties and taxes	1,68,127	6,23,250
Amount due to holding company	13,20,125	8,10,608
Amount due to ultimate holding company	3,22,266	8,60,039
Other Payables	23,431	6,373
	19,48,322	23,92,708

Amount due to immediate holding company and ultimate holding company are unsecured, trade in nature, interest free and repayable on demand.

MASTEK SYSTEMS (MALAYSIA) SDN. BHD.
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
(Amount in RM unless otherwise stated)

12 **Cost of revenues**

	Year ended 31 March 2024	Year ended 31 March 2023
Professional fees	42,24,431	58,97,316
Programming expenses	2,69,357	2,59,233
	44,93,788	61,56,549

13 **Other operating expenses**

	Year ended 31 March 2024	Year ended 31 March 2023
Membership expenses	-	4,379
Bank charges	2,370	1,361
Auditors' remuneration	20,148	13,200
Professional fees	17,095	13,281
Provision for doubtful debts	7,16,470	-
Visa expenses	11,358	24,060
Foreign exchange loss	27,994	71,679
Legal Expense	30,875	45,760
Miscellaneous expenses	33,210	12,377
	8,59,520	1,86,096

14 **Other Income**

	Year ended 31 March 2024	Year ended 31 March 2023
Doubtful debts written back	-	2,55,434
Interest Income	68,454	9,007
Others	40,643	-
	1,09,097	2,64,441

15 **Tax expense**

	Year ended 31 March 2024	Year ended 31 March 2023
Tax expense for the year is as follows:		
Current tax expense		
- Current year	1,62,349	2,40,800
- (Over)/under provision in prior year	1,124	(2,182)
- Penalty	-	47,954
Deferred tax expense		
- Current year	(1,72,118)	61,642
	(8,645)	3,48,214

The reconciliation of tax expense applicable to profit before tax at the statutory tax rate to tax expense at the effective tax rate of the Company is as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Profit before tax	(41,382)	12,61,920
Tax at statutory tax rate of 24%	(9,932)	3,02,861
Tax effect in respect of :-		
Expenses not deductible for tax purposes		-
Over provision of tax in prior financial year		45,353
Movement of deferred tax assets not recognised	163	
Tax expenses	(9,769)	3,48,214

MASTEK SYSTEMS (MALAYSIA) SDN. BHD.
201501014899 (114023-U) (Incorporated in Malaysia)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
(Amount in RM unless otherwise stated)

16 **Reserves**

The Company's policy is to treat all gains and losses that pass through the statement of comprehensive income (i.e. non-owner transactions or events) as revenue reserves. Other than retained profits, all other revenue reserves are regarded as non-distributable in the form of cash dividends to shareholders.

17 **Related party disclosures**

Name of related party	Nature of relationship
Mastek India	Ultimate holding company
Mastek Systems Singapore Pte. Ltd.	Immediate holding company

Transactions with above related parties during the year were:-

Name of Related Party	Nature of transactions	Year ended	
		31 March 2024	31 March 2023
Mastek India	Services Purchased	4,12,958	10,72,106
Mastek Enterprise Solutions Private Limited	Services Purchased	16,19,473	46,41,983
Mastek Systems Singapore Pte. Ltd.	Interest income	68,454	9,007

Balances with related parties outstanding are as follows:-

Name of Related Party	Nature of transactions	As at	
		31 March 2024	31 March 2023
Mastek India	Services Purchased	3,22,265	8,60,039
Mastek Enterprise Solutions Private Limited	Services Purchased	10,63,197	8,10,608
Mastek Systems Singapore Pte. Ltd.	Services purchased	-	-
Mastek Systems Singapore Pte. Ltd.	Loan given	17,35,317	15,53,173

18 **Categories of financial instruments**

The table below provides an analysis of financial instruments categorised as financial assets and liability measured at amortised cost.

	As at 31 March 2024	As at 31 March 2023
Financial assets		
Accounts and other receivables	41,11,032	46,23,982
Cash and bank balances	32,72,652	19,61,794
Financial liability		
Accounts, other payables and accrued liabilities	17,80,195	17,69,458

MASTEK SYSTEMS (MALAYSIA) SDN. BHD.
201501014899 (114023-U) (Incorporated in Malaysia)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
(Amount in RM unless otherwise stated)

19 **Capital risk management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximise shareholders' value.

20 **Contingent liability**

There was no contingent liability of a significant amount outstanding as at the reporting date.

21 **Comparative figures**

The comparative figures have been restated as a result of reclassification from current assets to current liability to conform with current financial year's presentation-