

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.
201501014899 (114023-U) (Incorporated in Malaysia)
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note no.	As at	As at
		31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	6	2,465	3,881
Deferred tax asset	7	7,358	69,000
Non-current tax assets		1,13,366	
Total non-current assets		1,23,189	72,881
Current assets			
Accounts and other receivables	8	26,96,374	13,75,376
Amount due from customers	9	19,27,605	31,33,474
Cash and bank balances	10	19,61,794	31,79,300
Total current assets		65,85,773	76,88,150
Total assets		67,08,962	77,61,031
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11	5,000	5,000
Retained earnings		40,59,901	31,39,251
Equity attributable to owner of the Company		40,64,901	31,44,251
Total equity		40,64,901	31,44,251
LIABILITIES			
Current liabilities			
Accounts, other payables and accrued liabilities	12	23,85,761	38,01,424
Amount due to customers	9	2,58,300	13,097
Current tax liabilities		-	8,02,259
Total current liabilities/Total liabilities		26,44,061	46,16,780
Total equity and liabilities		67,08,962	77,61,031

The accompanying notes form an integral part of the financial statements

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note no.	Year ended	Year ended
		31 March 2023	31 March 2022
INCOME			
Revenues	4.5	73,50,547	77,29,008
Cost of revenues	13	(61,56,549)	(34,46,655)
Gross profit		11,93,998	42,82,353
EXPENSES			
Depreciation	6	(1,416)	(354)
Other operating expenses	14	(1,79,152)	(3,51,782)
		(1,80,568)	(3,52,136)
Other income	14a	2,55,434	-
Profit before tax		12,68,864	39,30,217
Tax expense	15	(3,48,214)	(9,44,239)
Total comprehensive income for the year attributable to:			
Owner of the Company		9,20,650	29,85,978

The accompanying notes form an integral part of the financial statements

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.

201501014899 (114023-U) (Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

In RM

	Share capital	Retained earnings	Total
Balance as at 1 April 2021	5,000	1,53,273	1,58,273
Total comprehensive income for the year	-	29,85,978	29,85,978
Balance as at 31 March 2022	5,000	31,39,251	31,44,251
Total comprehensive income for the year	-	9,20,650	9,20,650
Balance as at 31 March 2023	5,000	40,59,901	40,64,901

The accompanying notes form an integral part of the financial statements

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.
201501014899 (114023-U) (Incorporated in Malaysia)
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2023

	Year ended	Year ended
	31 March 2023	31 March 2022
<u>Cash flows from operating activities</u>		
Profit before tax	12,68,864	39,30,217
Adjustments for:		
Impairment loss on trade receivables	(2,55,434)	2,87,878
Depreciation of property, plant and equipment	1,416	354
Cash flows from operating activities before working capital changes	10,14,846	42,18,449
Changes in accounts and other receivable	(10,65,564)	(10,55,470)
Changes in amount due from customers	12,05,869	(29,52,481)
Changes in accounts, other payables and accrued liabilities	(14,15,662)	25,20,439
Changes in amount due to customers	2,45,203	(1,97,208)
Cash flows generated from operating activities	(15,309)	25,33,729
Tax paid	(12,02,197)	(2,74,534)
Net cash flows generated from operating activities	(12,17,506)	22,59,195
Cash flows from investing activity		
Purchase of property, plant and equipment	-	(4,235)
Net cash flows used in investing activity	-	(4,235)
Net changes in cash and cash equivalents	(12,17,506)	22,54,960
Cash and cash equivalents at the beginning of the year	31,79,300	9,24,340
Cash and cash equivalents at the end of the year	19,61,794	31,79,300

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

Bank balance	19,61,794	31,79,300
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Notes to the Financial Statements for the year ended 31 March 2023**(Amount in RM unless otherwise stated)****6. Property, plant and equipment**

Particulars	Computers	Total
Gross (at cost)		
As at April 1, 2022	4,235	4,235
Additions	-	-
As at 31 March 2023	4,235	4,235
Accumulated depreciation		
As at April 1, 2022	354	354
Charge for the year	1,416	1,416
As at 31 March 2023	1,770	1,770
<u>Net carrying amount</u>		
As at 31 March 2023	2,465	2,465
As at 31 March 2022	3,881	3,881

7. Deferred tax assets

	As at 31 March 2023	As at 31 March 2022
Brought forward	69,000	-
Recognised in profit or loss	(61,642)	69,000
Carried forward	7,358	69,000

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 2023	As at 31 March 2022
Provision for doubtful debts	7,787	69,000
Fixed assets	(429)	-
	7,358	69,000

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8. **Accounts and other receivables**

	As at 31 March 2023	As at 31 March 2022
Accounts receivables	11,55,647	16,48,254
Provision for doubtful debt	(32,444)	(2,87,878)
	11,23,203	13,60,376
Tender deposit	20,000	15,000
Amount due from holding company	15,53,173	-
	26,96,374	13,75,376

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

	As at 31 March 2023	As at 31 March 2022
Brought forward	2,87,878	-
Charge for the financial year	(2,55,434)	2,87,878
Carried forward	32,444	2,87,878

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

9. **Amount due from/(to) customers**

	As at 31 March 2023	As at 31 March 2022
Contract cost incurred till date	62,20,509	57,58,272
Add: Attributable profit	42,64,628	26,61,731
	1,04,85,137	84,20,003
Less: Progress billing issued to date	(85,57,532)	(52,86,529)
Amount due from customers	19,27,605	31,33,474

	As at 31 March 2023	As at 31 March 2022
Contract cost incurred till date	12,80,992	1,61,857
Add: Attributable profit	7,12,925	2,07,546
	19,93,917	3,69,403
Less: Progress billing issued to date	(22,52,217)	(3,82,500)
Amount due to customers	(2,58,300)	(13,097)

10. **Cash and bank balances**

	As at 31 March 2023	As at 31 March 2022
In current account	19,61,794	31,79,300
	19,61,794	31,79,300

11. **Share capital**

	As at 31 March 2023	As at 31 March 2022
Issued and paid up capital		
5,000 shares of RM 1 each	5,000	5,000
	5,000	5,000

12. **Accounts, other payables and accrued liabilities**

	As at 31 March 2023	As at 31 March 2022
Accounts payable	71,238	5,35,970
Accrued liabilities	20,626	1,12,635
Duties and taxes	6,23,250	2,01,164
Amount due to holding company	8,10,608	27,94,702
Amount due to ultimate holding company	8,60,039	1,56,953
	23,85,761	38,01,424

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

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13. **Cost of revenues**

	Year ended 31 March 2023	Year ended 31 March 2022
Professional fees	58,97,316	20,99,387
Programming expenses	2,59,233	13,47,268
	61,56,549	34,46,655

14. **Other operating expenses**

	Year ended 31 March 2023	Year ended 31 March 2022
Membership expenses	4,379	2,149
Bank charges	1,361	842
Auditors' remuneration	6,323	17,780
Professional fees	13,281	4,240
Provision for doubtful debts	-	2,87,878
Visa expenses	24,061	34,871
Foreign exchange loss	71,680	3,777
Miscellaneous expenses	58,067	245
	1,79,152	3,51,782

14.a **Other Income**

	Year ended 31 March 2023	Year ended 31 March 2022
Doubtful debts written back	2,55,434	

15. **Tax expense**

	Year ended 31 March 2023	Year ended 31 March 2022
Tax expense for the year is as follows:		
Current tax expense		
- Current year	2,40,803	10,14,000
- (Over)/under provision in prior year	45,769	(761)
Deferred tax expense		
- Current year	61,642	(69,000)
	3,48,214	9,44,239

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 2023	Year ended 31 March 2022
Profit before tax	12,68,864	39,30,217
Tax at statutory tax rate of 24%	3,04,527	9,43,252
Tax effect in respect of :-		
Expenses not deductible for tax purposes	-	1,748
Over provision of tax in prior financial year	43,687	(761)
Tax expenses	3,48,214	9,44,239

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(Amount in RM unless otherwise stated)

15. **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.

16. **Related party disclosures**

Name of related party	Nature of relationship
Mastek India	Ultimate holding company
Evolutionary 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 2023	31 March 2022
Mastek India	Services Purchased	10,72,106	96,986
Mastek Enterprise Solutions Private Limited	Services Purchased	46,41,983	-
Evolutionary Systems Singapore Pte. Ltd.	Services purchased	-	18,54,000
Evolutionary Systems Singapore Pte. Ltd.	Interest income	9,007	-

Balances with related parties outstanding are as follows:-

Name of Related Party	Nature of transactions	As at	
		31 March 2023	31 March 2022
Mastek India	Services Purchased	8,60,039	1,56,953
Mastek Enterprise Solutions Private Limited	Services Purchased	8,10,608	-
Evolutionary Systems Singapore Pte. Ltd.	Services purchased	-	27,94,702
Evolutionary Systems Singapore Pte. Ltd.	Loan given	15,53,173	-

17. **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 2023	As at 31 March 2022
Financial assets		
Accounts and other receivables	26,96,374	13,75,376
Cash and bank balances	19,61,794	31,79,300
Financial liability		
Accounts, other payables and accrued liabilities	17,62,511	36,00,260

18. **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.

19. **Contingent liability**

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