

Mastek Systems B.V.
Amsterdam, The Netherlands

Annual Report
(For the period 1st April 2023 to 31st March 2024)

Address of the Company	:	Haarlemmerweg 331 A, 1051LH
Chamber of Commerce	:	Amsterdam
File Number	:	716 428 62

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Management Report

The Management of Mastek Systems B.V.(earlier named as Evolutionary Systems B.V.) (the “Company”) herewith submits its annual report for the year ended March 31, 2024.

General

Mastek Systems B.V.(earlier named as Evolutionary Systems B.V.) (the "Company") is a private limited liability company ('besloten vennootschap'), incorporated on May 11, 2018 under the laws of the Netherlands and has its statutory seat in Amsterdam, and its registered address at Haarlemmerweg 331 A, 1051LH Amsterdam, The Netherlands.

Activities

The principal activities of the Company mainly consist of organization consultancies and Non-specialized trade brokerage, Activities in marketing, Distribution, Oracle Implementation and Licensed Products.

Results

The shareholder's equity at the period-end amount to Euro 4,506,451 (on 31st March, 2023: Euro 4,662,034). During the year under report, the Company earned a net loss of Euro 151,056 (31st March, 2023: Euro 1,147,778 profit). This result will remain in the Company and be added to the Company’s retained earnings.

Future outlook

No material changes in activities are contemplated during the year ended 31 March, 2024.

Signed on..... 2024

Director
Nahata, Umang

Director
Abhishek

Balance Sheet as at 31st March 2024
(Before proposed result appropriation)

	<u>Notes</u>	<u>31-Mar-24</u> EUR	<u>31-Mar-23</u> EUR
ASSETS			
Fixed Assets			
Tangible fixed assets	1	3,691	10,477
		3,691	10,477
Current assets			
Receivables from group companies	2	1,312,896	1,389,230
Receivables, including prepayments	3	4,677,793	5,580,043
Cash and cash equivalents	4	821,744	816,912
Total Current Assets		6,812,433	7,786,185
Short term liabilities	5	2,309,674	3,134,628
Balance of current assets less short-term liabilities		4,502,759	4,651,557
Balance of assets less short-term liabilities		4,506,451	4,662,034
Shareholders' equity			
Share capital	6	100	100
Retained earnings		4,668,318	3,514,156
Currency translation reserve		(10,911)	-
Result for the year		(151,056)	1,147,778
Total shareholder's equity		4,506,451	4,662,034

Profit and Loss account for the period 1st April 2023 to 31st March 2024

	<u>Notes</u>	<u>31-Mar-24</u> EUR	<u>31-Mar-23</u> EUR
Revenue	7	10,037,043	12,040,158
Cost of service	8	(6,837,669)	(7,560,810)
Gross operating result		3,199,374	4,479,348
Employment cost	9	(2,735,426)	(2,237,080)
Depreciation and amortization	10	(6,786)	(2,872)
General and administrative expenses	11	(886,620)	(813,083)
Total operating expenses		(3,628,832)	(3,053,035)
Operating result		(429,458)	1,426,314
Financial income and expenses	12	59,697	(60,099)
Other Income	13	233,788	130,882
Result before taxation		(135,973)	1,497,096
Corporate income tax	14	(15,083)	(349,318)
Result after taxation		(151,056)	1,147,778

Notes to the Financial Statements

Mastek Systems B.V. (earlier named as Evolutionary Systems B.V.) (the "Company") is a private company with limited liability having its statutory seat in Amsterdam and its registered address at Haarlemmerweg 331 A, 1051LH Amsterdam (The Netherlands).

The Company was incorporated on 11th May 2018 and is wholly owned by Mastek Systems Company Limited (earlier named as Evolutionary Systems Company Limited) having its office at Unit 2/A, 4th Floor, Congress House Harrow, HA1 2EN, United Kingdom. The company has one branch which is registered in Romania.

The financial year

The financial year of the Company starts from the first day of April of any year up to and including the thirty-first day of March of the subsequent year. The current financial year of the company starts on 1st April 2023 and end on 31st March 2024.

Going concern

These financial statements have been prepared on a going concern basis, which basis for valuation and determination of results assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The equity of the Company amounts to EUR 100.

Principles for the valuation of assets and liabilities

Accounting policies

The annual accounts have been prepared in accordance with accounting principles generally accepted in the Netherlands (Title 9, Book 2 of the Dutch Civil Code) and are denominated in Euro, which is the Company's functional currency.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

The Company qualifies as a small sized company. Therefore, based on article 396 book 2 of the Dutch Civil code, exemptions apply to the presentation and disclosures in the Company's financial statements.

Receivables

Receivables are stated at nominal value, unless stated otherwise. Trade debtors are shown at face value less a provision for doubtful debts when appropriate.

Cash and cash equivalent

Cash and cash equivalents comprise of cash at bank. Cash at bank are stated at nominal value and are at the free and unrestricted disposal of the Company.

Short term liabilities

Short-term liabilities are short-term financial obligations listed on a company's balance sheet that are due for settlement within one year after balance sheet date. Financial liabilities are recognized at fair value.

Accounts payable

All amounts payable are stated at nominal value and are expected to be paid within one year after the balance sheet date.

Shareholders' equity

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholder's equity as a part of the profit distribution.

The Company's ordinary shares are classified as equity instruments.

Notes to the Financial Statements (continued...)

All monetary assets and liabilities denominated in foreign currencies have been converted into EUR at the rate of exchange prevailing at the balance sheet date, where as non-monetary assets denominated in foreign currencies are translated at historical rate when the transaction took place. All transactions in foreign currency made during the year under review are accounted for at the official rate of exchange prevailing on or around the date of the transaction took place. The exchange differences are reflected in the financial result

Related party transactions

An entity is considered as a related party if any of the following conditions prevail:

- The financial and operating activities are controlled by the Company or are controlled by the same party, which includes common control, joint control or significant influence.
- The entity and the reporting entity are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

Transaction with related parties were made on terms equivalent to those that prevail in arm's length transaction.

Provisions

Provisions are formed for liabilities which are deemed probable or certain at the balance sheet date, but which are still unknown as to the amount or timing of outflow of funds.

Principles for the determination of the result

The result is determined as the difference between the value of the goods delivered and services rendered and the costs and other charges related to the year. Profits on transactions are recognised in the year in which they are realised, losses are taken into account as soon as they are foreseeable.

Income and expenses denominated in foreign currencies are accounted for at the official rates of exchange prevailing on the date on which the transaction took place. Translation differences due to exchange rate fluctuations between the transaction date and the settlement date or balance sheet date are recognized in the profit and loss account.

Tax on result is calculated by applying the current rate on the result for the financial year in the profit & loss account, taking into account tax losses carry-forward and tax exempt profit elements and after inclusion of non-deductible costs.

Provisions for taxation have been made in accordance with Dutch corporate income tax law.

Notes to the Financial Statements (continued...)

	<u>31 Mar 2024</u>	<u>31 Mar 2023</u>
	EUR	EUR
1. Tangible fixed assets		
Computers	<u>3,691</u>	<u>10,477</u>
<u>Computers</u>		
Balance at beginning		
Purchase price	14,791	12,006
Accumulated depreciation	<u>(4,314)</u>	<u>(1,442)</u>
	<u>10,477</u>	<u>10,564</u>
Changes during the year		
Addition/(deletion)	-	2,785
Depreciation	(6,786)	(2,872)
Balance at closing		
Purchase price	14,791	14,791
Accumulated depreciation	<u>(11,100)</u>	<u>(4,314)</u>
	<u>3,691</u>	<u>10,477</u>
2. Receivables from group companies		
Loan to Mastek Arabia FZ-LLC	649,589	643,087
Loan to Evolutionary Systems (Singapore) PTE. LTD.	603,190	734,956
Interest receivables	60,117	11,187
	<u>1,312,896</u>	<u>1,389,230.18</u>
3. Receivables, including prepayments		
Trade receivables	3,994,279	5,116,448
Other receivables, prepayments and accrued income	683,514	463,595
	<u>4,677,793</u>	<u>5,580,043</u>
3.1 <u>Trade receivables</u>		
Trade receivables	4,470,378	5,475,111
Provision for doubtful debts	(476,099)	(358,663)
	<u>3,994,279</u>	<u>5,116,448</u>
3.2 <u>Other receivables, prepayments and accrued income</u>		
Advance to employee	10,771	5,044
Other deposit*	16,233	19,142
Prepaid expenses	22,610	17,659
Advance Tax	540,504	421,750
Wage tax recoverable	93,396	-
	<u>683,514</u>	<u>463,595</u>

*Other deposit includes Euro 7,792 which pertain to Romania branch.

Notes to the Financial Statements (continued...)

	<u>31-Mar-24</u>	<u>31-Mar-23</u>
	EUR	EUR
4. Cash and cash equivalents		
ABN AMRO Bank NV	406,219	772,562
CITI Bank- USD	553	756
CITI Bank- EUR	396,699	222
CITI Bank - Romania	18,273	43,372
	<u>821,744</u>	<u>816,912</u>
5. Short term liabilities		
Accounts Payable		
Trade payable	<u>774,984</u>	<u>1,352,742</u>
Other current liabilities		
Accrued liabilities	238,179	187,735
Bonus Payable	108,360	33,836
Provision for CIT	-	349,318
Unearned revenue	1,122,498	995,391
Vat payable	47,710	149,935
Pension payable	9,499	5,588
Wage tax payable	-	53,367
Other liabilities	8,444	6,716
	<u>1,534,690</u>	<u>1,781,886</u>
Total current liabilities	<u>2,309,674</u>	<u>3,134,628</u>

Notes to the Financial Statements (continued...)**(In Euro)****6. Shareholders' equity**

	Share capital	Retained earnings	Currency translation reserve	Result for the period	Total
Balance as at 1 April 2023	100	3,514,156	-	1,147,778	4,662,033
Allocation of result	-	1,147,778	-	(1,147,778)	-
Movement during the year	-	6,385	(10,911)	-	(4,526)
Result for the period	-	-	-	(151,056)	(151,056)
Balance as at 31 March 2024	100	4,668,318	(10,911)	(151,056)	4,506,451

	Share capital	Retained earnings	Currency translation reserve	Result for the period	Total
Balance as at 1 April 2022	100	1,808,553	-	-	1,808,653
Allocation of result	-	1,705,603	-	-	1,705,603
Movement during the year	-	-	-	-	-
Result for the period	-	-	-	1,147,778	1,147,778
Balance as at 31 March 2023	100	3,514,156	-	1,147,778	4,662,033

The issued and paid up share capital amounts to € 100 and consists of 100 ordinary shares with a nominal value of Euro 1 each.

*The financial figures of Mastek Romania Branch as on 31.03.2024, have been converted into the Company's functional currency (i.e. EUR). Resulted, currency translation reserve reflected in the Consolidated financial statement.

Notes to the Financial Statements (continued...)

	31-Mar-2024	31-Mar-2023
	EUR	EUR
7. Revenue		
Sales	10,037,043	12,040,158
	<u>10,037,043</u>	<u>12,040,158</u>
8. Cost of Services		
Professional fees- direct expenses	(5,928,248)	(6,435,661)
Programming expenses	(909,421)	(1,125,149)
	<u>(6,837,669)</u>	<u>(7,560,810)</u>
9. Employment cost		
Salaries and wages	(2,429,809)	(2,060,148)
Social Security charges and pensions cost	(225,234)	(174,709)
Other staff expenses	(80,383)	(2,224)
	<u>(2,735,426)</u>	<u>(2,237,080)</u>
<i>Salaries and Wages</i>		
Salaries and wages	(2,429,809)	(1,909,320)
Bonus	-	(150,828)
	<u>(2,429,809)</u>	<u>(2,060,148)</u>
<i>Other staff expenses</i>		
Staff welfare expenses	(30,627)	(824)
Other allowances	(49,756)	(1,400)
	<u>(80,383)</u>	<u>(2,224)</u>
10. Depreciation and amortization		
Depreciation-Computer	(6,786)	(2,872)
	<u>(6,786)</u>	<u>(2,872)</u>
11. General and administrative expenses		
Audit fees	(13,546)	(17,631)
Advertisement expenses	(19,487)	(63,849)
Bad debts	(299,126)	(293,689)
Boarding and lodging	(18,496)	(21,848)
Business promotion expenses	(1,131)	-
Courier and postage expense	(348)	(460)
Consultancy expenses	(60,975)	(18,442)
Internet and telephone expense	(6,895)	(6,245)
Insurance expenses	(1,192)	(20,767)
Legal and professional fees	(199,672)	(174,898)
Miscellaneous expenses	(93,675)	(20,796)
Office rent*	(78,778)	(77,064)
Travelling expenses	(89,086)	(66,429)
Visa expenses	(4,213)	(30,965)
	<u>(886,620)</u>	<u>(813,083)</u>

* Rent includes EUR 9,949 which pertains to Romania branch.

Notes to the Financial Statements (continued...)

	<u>31-Mar-2024</u>	<u>31-Mar-2023</u>
	EUR	EUR
12. Financial income and expenses		
Bank charges	(903)	(13,383)
Foreign exchange gain/(loss)	11,761	(57,903)
Interest on loan	48,839	11,187
	<u>59,697</u>	<u>(60,099)</u>
13. Other income		
Other income	<u>233,788</u>	<u>130,882</u>
14. Corporate Income Tax		
Provision for CIT	<u>(15,083)</u>	<u>(349,318)</u>
	<u>(15,083)</u>	<u>(349,318)</u>

15. Directors

The Company had two directors during the financial year.

16. Number of employees

During the financial year, the Company has nineteen employees.

17. Post balance sheet date events

There have been no events after balance sheet date, which have a significant impact on, or should be disclosed in 2023-24 annual accounts.

Amsterdam, _____ 2024

Director
Nahata, Umang

Director
Abhishek

Other Information's

Auditor's report

To ensure that the financials statements are prepared in accordance with the requirements of Title 9, Book2 of the Netherlands Civil code, management of the Company decided to have the financial statement reviewed by auditors and not to utilize the exemption from an audit by virtue of Article 396, paragraph 7, title 9, Book, 2 of the Netherlands Civil Code.

Statutory provision on appropriation of result

According to the Articles of Association of the company the result shall be appropriated by the General Meeting of Shareholders.