

MASTEK ARABIA SYSTEMS EGYPT "L.L.C"

**Financial Statements
And Auditor's Report
For the Year Ended 31 December 2024**

**Ashraf Shawky Battah
Certified Accountant**

MASTEK ARABIA SYSTEMS EGYPT “L.L.C”

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Auditor's Report

To: MASTEK ARABIA SYSTEMS EGYPT "L.L.C"

Report on the Financial Statements

We have audited the accompanying financial statements of *MASTEK ARABIA SYSTEMS EGYPT "THE Company"* which comprise the balance sheet as of 31 December 2024, related statements of income, comprehensive income statement, cash flows statement and changes in Shareholder's equity for the fiscal year ended and a summary of significant accounting policies and other explanatory notes.

Company's Management Responsibility for the Financial Statements

Company's management is responsible for the preparation and fair presentation of these financial statements in accordance with Egyptian Accounting Standards and with the requirements of applicable Egyptian laws and regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement; whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Egyptian Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company at 31 December 2024, its operation and cash flows for the period ended in accordance with Egyptian Accounting Standards and applicable Egyptian laws and regulations.

Report on Other Legal and Regulatory Requirements

The company maintains proper financial records, which includes all that is required by the law and the company's statute, and the accompanying financial statements are in agreement therewith, the company applies a proper costing system and the inventory counts were taken in accordance with recognized practices.

The financial statements at the report of the company's manager prepared in accordance with Law No. 159 for the year 1981 and its executive regulations are in accordance with what is stated in the company's books.

Ashraf Shawky Battah



Legal accountant
Certified account no 8661
Member of the Egyptian Tax Association



Cairo 26 April 2025 , "attached"

MASTEK ARABIA SYSTEMS EGYPT "L.L.C"

Balance Sheet at 31 December 2024

(all amounts in EGP)	Notes	31 December 2024	31 December 2023
Non-Current Assets			
Fixed Assets (net)	(3)	857	401 553
Deferred tax		24 754	-
Total of Non-current Assets		25 611	401 553
Current Assets			
Receivables and other debit balance	(4)	23 680 430	11 761 399
Cash and Bank	(5)	330 197	1 154 104
Total of Current Assets		24 010 627	12 915 503
Total Assets		24 036 238	13 317 056
Owners' Equity			
Paid in capital		5000	5000
Legal reserve		2 500	2 500
Retained Earnings		9 611 476	7 874 055
Net profit for the year		7 537 796	1 737 421
Total of owners' equity		17 156 772	9 618 976
Non-Current Liabilities			
Deferred tax		-	40 455
Total Non-Current Liabilities		-	40 455
Current Liabilities			
Payables and other credit balances	(6)	6 879 466	3 657 625
Total Current Liabilities		6 879 466	3 657 625
Total liabilities		6 879 466	3 698 080
Total owners' equity and liability		24 036 238	13 317 056

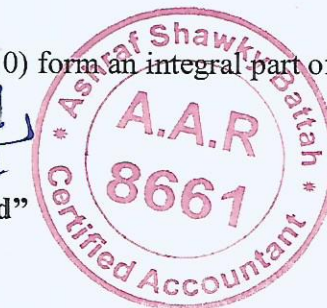
The accompanying notes on pages No (6) to page No (10) form an integral part of these financial statements.

Auditor Report issue dated 26 April 2025, "attached"

Wafaa Tahtawi

General Manager

Wafaa Tahtawi



MASTEK ARABIA SYSTEMS EGYPT "L.L.C"
Income Statement for the year ended 31 December 2024

(all amounts in EGP)	Notes	31December 2024	31 December 2023
Revenue		17 273 113	29 244 016
Less:			
Cost of revenue	(7)	(15 505 658)	(26 127 979)
Gross Profit		1 767 455	3 116 037
Less:			
General and administrative expenses	(8)	(507 483)	(152 945)
Operating profit		1 259 972	2 693 093
Add/(Less):			
Foreign exchange gain		8 951 507	1 819 621
Depreciation of fixed assets		(400 695)	(591 445)
Others		-	(1 431 527)
Solidarity Share		(65 562)	-
Social contribution		-	(77 659)
Net profit before taxes		9 745 222	2 682 082
Deferred Tax		65 209	81 554
Income Tax		(2 272 635)	(1 026 215)
Net profit after taxes		7 537 796	1 737 421

The accompanying policies and the notes on page (6) to page (10) form an integral part of these financial statements.

MASTEK ARABIA SYSTEMS EGYPT "L.L.C
Comprehensive Income Statement for the year ended 31 December 2024

(all amounts in EGP)	Notes	<u>December 2024</u>	<u>31 December 2023</u>
Net profit for the year after taxes		7 537 796	1 737 421
Other Comprehensive Income		-	-
Net profit for the year after taxes		<u>7 537 796</u>	<u>1 737 421</u>

The accompanying policies and notes on page (6) to page (10) form an integral part of these financial statements.

MASTEK ARABIA SYSTEMS EGYPT "L.L.C."
Statement of Changes in Equity for the year ended 31 December 2024

(all amounts in EGP)

	Capital	Legal reserve	Retained Earnings	Net Profit of the year	Total
Balance at 31 December 2022	5000	2 500	3 063 340	4 810 715	7 881 555
Closing of 2021 profit in retained earnings	-	-	4 810 715	(4 810 715)	-
Net profit for the year 2023	-	-	-	1 737 421	1 737 421
Balance at 31 December 2023	5000	2 500	7 874 055	1 737 421	9 618 976
Closing of 2021 profit in retained earnings	-	-	1 737 421	(1 737 421)	-
Net profit for the year 2024	-	-	-	7 537 796	7 537 796
Balance at 31 December 2024	5000	2 500	9 611 476	7 537 796	17 156 772

the accompanying policies and notes on page (6) to page (10) form an integral part of these financial statements

MASTEK ARABIA SYSTEMS EGYPT "L.L.C"
Statement of Cash Flows for the year ended 31 December 2024

(all amounts in EGP)	31 December 2024	31 December 2023
Cash flows from operating activities:		
Net profit for the year	7 537 796	2 682 082
<u>Adjustments for:</u>		
Fixed assets depreciation	400 695	591 445
Foreign exchange Loss	(8 951 507)	(1 819 621)
Net profit before changing in working capital	(1 013 016)	1 435 906
<u>Change in :</u>		
Change in Account Receivable and Other Debtors	(11 919 031)	(3 500 057)
Change in Account payable and other creditors	3 156 632	1 320 569
Net Cash provided from operating activities	(9 775 415)	(725 582)
Income tax payment	-	(1 026 215)
Net Cash used in operating activities	(9 775 415)	1 751 797
Cash flows from investing activities:		
Acquisition of plant, property & equipment	-	-
Net Cash (used in) investing activities	-	-
Net change in cash and equivalents	(9 775 415)	(1 751 797)
Cash & Cash equivalents at the beginning of the year	1 154 104	1 086 280
Foreign currency exchange difference	8 951 507	1 819 621
Cash & Cash equivalents at the end of the year	330 197	1 154 104

The accompanying policies and notes on page (6) to page (10) form an integral part of these financial statements.

MASTEK ARABIA SYSTEMS EGYPT “L.L.C”

Note to the Financial Statements – for the year ended 31 December 2024

MASTEK ARABIA SYSTEMS EGYPT “L.L.C”

1. About the company

1/1 Legal Entity and activity

MASTEK ARABIA SYSTEMS EGYPT – limited liability company- was established according to law no 159 for year 1981 and its executive regulations.

1/2 Purpose of the company

The company purpose is the produce and develop programs and applications, and to establish databases, electronic information systems, operate and train on them according to the provisions of laws, regulations and standard decisions and the company should obtain all the necessary licenses to operate.

1/3 Company duration

25 years starting from 1/10/2014 to 30/9/2039

1/4 Company Headquarters

37 Ali Amer Street, Markam Ebeid First Nasr City, Cairo.

2. Basis of preparation of financial statement

2/1: Accounting policies

Financial statements have been prepared in accordance with Egyptian Accounting Standards (EAS's) and applicable laws and regulations. During 2015 a modified version of the Egyptian Accounting Standards has been issued that includes some new accounting standards and amendments to certain existing standards that are effective from the beginning of 1 January 2016. Early application of these standards is not allowed.

2/2: Foreign currencies

The financial statements are presented in Egyptian pounds, which is the company's functional and presentation currency.

MASTEK ARABIA SYSTEMS EGYPT “L.L.C”

Note to the Financial Statements – for the year ended 31 December 2024

2/3 Usage of estimates and personal judgment

The preparation of financial statements in conformity with ESA requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities. The estimates and judgements are based on previous experience. The actual results may differ from those estimates.

The estimates and assumptions are reviewed regularly.

The change in an accounting estimate is admitted in the period which the estimate is changed, if the change affects only that period, or the period of change and future periods if the change affects both.

2/4 Fair value measurement

The fair value of financial assets or liabilities with maturity date less than one year is assumed to approximate their carrying value. The fair value of financial liabilities, for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

1. Fixed Assets

Fixed assets are recorded according to historical cost plus any direct cost related to the acquisition of the asset until it is ready to use

The fixed asset is depreciated on a straight-line basis at annual rates:

Furniture	20%
Computers	25%

MASTEK ARABIA SYSTEMS EGYPT “L.L.C”
Note to the Financial Statements – for the year ended 31 December 2024

Note 3: Fixed Assets (Net)

For the year ended 31 December 2024

(all amounts in EGP)	Computer	Furniture and Supplies	Total
<u>Cost:</u>			
Cost at the beginning of the year 2024	1 655 278	53 164	1 708 422
Additions during the year	-	-	-
Cost at 31 December 2024	1 655 278	53 164	1 708 422
<u>Accumulated depreciation:</u>			
Accumulated depreciation at the beginning of the year 2024	1 253 727	53 163	1 306 890
Depreciation of the year	400 695	-	400 695
Balance as at December 31,2024	1 654 422	53 163	1 707 585
Net book value at December 31,2024	856	1	857
Net book value at December 31,2023	401 552	1	401 553

For the year ended 31 December 2023

(all amounts in EGP)	Computer	Furniture and Supplies	Total
<u>Cost:</u>			
Cost at the beginning of the year 2023	1 655 278	53 164	1 708 442
Additions during the year	-	-	-
Cost at 31 December 2023	1 655 278	53 164	1 708 442
<u>Accumulated depreciation:</u>			
Accumulated depreciation at the beginning of the year 2023	665 083	50 361	715 444
Depreciation of the year	588 644	2 802	591 446
Balance as at December 31,2023	1 253 727	53 163	1 306 890
Net book value at December 31,2023	401 552	1	401 553
Net book value at December 31,2022	990 195	2 803	992 998

MASTEK ARABIA SYSTEMS EGYPT "L.L.C"**Note to the Financial Statements – for the year ended 31 December 2024****Note 4: Receivables and other debit balances**

(all amounts in EGP)	<u>31 December 2024</u>	<u>31 December 2023</u>
Sundry debtors (from related party)	23 549 368	11 688 593
Deposit with others -Office	14 000	14 000
Prepaid expenses	22 250	-
Loans to employees	25 340	-
Customer	69 472	-
Prepaid Expenses	-	58 806
Total	<u>23 680 430</u>	<u>11 761 399</u>

Note 5: Cash and Bank balances

(all amounts in EGP)	<u>31 December 2024</u>	<u>31 December 2023</u>
Bank – foreign currency	101 577	1 034 324
bank (EGP)	220 933	113 165
Cash in hand	7 687	6 615
Total	<u>330 197</u>	<u>1 154 104</u>

Note 6: payables and other Credit balances

(all amounts in EGP)	<u>31 December 2024</u>	<u>31 December 2023</u>
Income tax	2 272 635	1 026 215
Accounts Payable	4 506 901	-
Social insurance	34 368	78 356
Solidarity share	65 562	77 659
Accrued professional fees	-	268 405
Accrued salaries	-	458 938
Liability for expenses	-	56 547
Total	<u>6 879 466</u>	<u>3 657 625</u>

MASTEK ARABIA SYSTEMS EGYPT "L.L.C"

Note to the Financial Statements – for the year ended 31 December 2024

Note 7: Cost of Revenues

	<u>31 December 2024</u>	<u>31 December 2023</u>
Salaries	10 729 389	22 219 505
Consultancy Exp	2 691 534	1 368 364
Travel & Transportation	779 554	404 536
Office Rent	210 884	201 420
Professional fees	311 665	356 378
maintenance charges	12 552	14 568
Other	464 538	
Staff Welfare	305 542	-
Medical insurance & others	-	585 855
Social insurance	-	977 353
Total	<u>15 505 658</u>	<u>26 127 979</u>

Note 8: General and Administrative expenses

	<u>31 December 2024</u>	<u>31 December 2023</u>
Others	431 146	43 815
Phone & fax	35 954	19 594
Stationery	624	6 787
Electricity and water	3 839	4 266
Bank Expenses	12 603	3 763
Professional Fees	23 317	-
Computer expenses	-	7 048
Recruitment expense	-	12 000
Lawyer fees	-	55 671
Total	<u>507 483</u>	<u>152 945</u>