

Registration No:  
200001003304 (505909 - H)

**WIPRO TECHNOLOGIES SDN. BHD. (200001003304 (505909 - H))**  
**(Incorporated in Malaysia)**

**DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS**  
**31 MARCH 2024**

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**WIPRO TECHNOLOGIES SDN. BHD. 200001003304 (505909 - H)**

**(Incorporated in Malaysia)**

**DIRECTORS' REPORT**

The Directors have pleasure in submitting their report and the audited financial statements of the Company for the financial year ended 31 March 2024.

**PRINCIPAL ACTIVITIES**

The Company is principally engaged in the business of providing information technology services, including the provision of customer relationship management software services, information technology enabled services, support and knowledge based services and business process outsourcing services. There have been no significant changes in the nature of these activities during the financial year.

**RESULTS**

	<b>RM</b>
Profit for the financial year	<u>568,018</u>

**DIVIDEND**

No dividend has been paid, declared or proposed by the Company since the end of the previous financial year. The Directors do not recommend any payment of dividend in respect of the current financial year.

**RESERVES AND PROVISIONS**

There were no material transfers to or from reserves or provisions during the financial year.

**ISSUE OF SHARES AND DEBENTURES**

The Company did not issue any new shares or debentures during the financial year.

**OPTIONS GRANTED OVER UNISSUED SHARES**

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

**DIRECTORS**

The Directors who have held office during the financial year and up to the date of this report are as follows:

Satyabrata Halder  
Ian Azlan Manjaji (appointed on 20 April 2023)

## **DIRECTORS' INTERESTS**

According to the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, none of the Directors holding office at the end of the financial year held any beneficial interests in ordinary shares and options over ordinary shares of the Company and of its related corporations.

## **DIRECTORS' BENEFITS**

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the financial statements, or the fixed salary of a full-time employee of the Company or related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements made during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## **DIRECTORS' REMUNERATION**

No fee or other benefits have been given or paid for the Directors who have held office during the financial year ended 31 March 2024.

## **INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS**

No indemnity was given by the Company to any Director or officer of the Company during the financial year.

There were no indemnity given to or insurance effected for the auditors of the Company during the financial year.

## **HOLDING COMPANIES**

The immediate and ultimate holding companies are Wipro Networks Pte. Ltd. and Wipro Limited, which are incorporated in Singapore and India respectively.

## **BAD AND DOUBTFUL DEBTS**

Before the financial statements of the Company were prepared, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate provision had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances that would require the writing off of bad debts or render the amount of the provision for doubtful debts in the financial statements of the Company inadequate to any substantial extent.

## **CURRENT ASSETS**

Before the financial statements of the Company were prepared, the Directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

## **VALUATION METHODS**

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Company misleading or inappropriate.

## **CONTINGENT AND OTHER LIABILITIES**

At the date of this report, there does not exist:

- (a) any charge on the assets of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations when they fall due.

## **CHANGE OF CIRCUMSTANCES**

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Company which would render any amount stated in the financial statements misleading.

## **ITEMS OF AN UNUSUAL NATURE**

The results of the operations of the Company during the financial year were not, in the opinion of the Directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Company for the financial year.

## **AUDITORS**

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditor's remuneration of the Company for the financial year ended 31 March 2024 amounted to RM39,386.

Signed by the Board in accordance with a resolution of the Directors.

Sd/-  
**Ian Azlan Manjaji**  
Director

Sd/-  
**Satyabrata Halder**  
Director

Kuala Lumpur  
27 May 2024

**WIPRO TECHNOLOGIES SDN. BHD. 200001003304 (505909 - H)**

**(Incorporated in Malaysia)**

**STATEMENT BY DIRECTORS**

**PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016**

We, Ian Azlan Manjaji and Satyabrata Halder, being two of the Directors of Wipro Technologies Sdn. Bhd., state that, in the opinion of the Directors, the financial statements set out on pages 10 to 35 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company at 31 March 2024 and of the financial performance and cash flows of the Company for the financial year then ended.

By the Board,

Sd/-

.....  
**Ian Azlan Manjaji**  
Director

Sd/-

.....  
**Satyabrata Halder**  
Director

Kuala Lumpur  
27 May 2024

**STATUTORY DECLARATION**

**PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016**

I, Satyabrata Halder, Passport No. Z3735405, being the Director primarily responsible for the financial management of Wipro Technologies Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 10 to 35 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declaration Act, 1960.

Subscribed and solemnly  
declared by the abovenamed at  
Kuala Lumpur, Malaysia this  
27 May 2024

Sd/-

**Satyabrata Halder**

Before me:

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF  
WIPRO TECHNOLOGIES SDN. BHD.  
(Incorporated in Malaysia)**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Wipro Technologies Sdn. Bhd., which comprise the statement of financial position as at 31 March 2024 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 10 to 35.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2024 and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

**Basis of Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Independence and Other Ethical Responsibilities*

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

**Information Other than the Financial Statements and Auditors' Report Thereon**

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF  
WIPRO TECHNOLOGIES SDN. BHD. (continued)  
(Incorporated in Malaysia)**

**Information Other than the Financial Statements and Auditors' Report Thereon  
(continued)**

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company 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 the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Statements**

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards, and the provisions of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the ability of the Company 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.

**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and ISAs 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 these financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF  
WIPRO TECHNOLOGIES SDN. BHD. (continued)  
(Incorporated in Malaysia)**

**Auditors' Responsibility for the Audit of the Financial Statements (continued)**

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF  
WIPRO TECHNOLOGIES SDN. BHD. (continued)  
(Incorporated in Malaysia)**

**Other Matters**

This report is made solely to the member of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Sd/-

**BDO PLT**  
201906000013 (LLP0018825-LCA) & AF 0206  
Chartered Accountants

Kuala Lumpur  
27 May 2024

Sd/-

**Francis Cyril A/L S.R Singam**  
03056/04/2025 J  
Chartered Accountant

**WIPRO TECHNOLOGIES SDN. BHD. 200001003304 (505909 - H)**  
**(Incorporated in Malaysia)**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2024**

	Note	2024 RM	2023 RM
<b>ASSETS</b>			
<b>Non-current assets</b>			
Deferred tax assets	6	-	86,419
<b>Current assets</b>			
Trade receivables	7	1,024,576	1,984,313
Contract assets	8	-	864,172
Current tax asset		93,513	-
Bank balances	9	1,416,330	948,298
		<u>2,534,419</u>	<u>3,796,783</u>
<b>TOTAL ASSETS</b>		<u><u>2,534,419</u></u>	<u><u>3,883,202</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owner of the Company</b>			
Share capital	10	2	2
Retained earnings		1,991,893	1,423,875
<b>TOTAL EQUITY</b>		1,991,895	1,423,877
<b>LIABILITIES</b>			
<b>Non-current liability</b>			
Deferred tax liabilities	6	6,288	-
<b>Current liabilities</b>			
Trade and other payables	11	536,236	2,321,202
Current tax liability		-	138,123
<b>TOTAL LIABILITIES</b>		<u>542,524</u>	<u>2,459,325</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>2,534,419</u></u>	<u><u>3,883,202</u></u>

*The accompanying notes form an integral part of the financial statements.*

**WIPRO TECHNOLOGIES SDN. BHD. 200001003304 (505909 - H)**

**(Incorporated in Malaysia)**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	Note	2024 RM	2023 RM
Revenue	12	8,470,230	13,735,321
Cost of sales		<u>(7,623,206)</u>	<u>(12,481,699)</u>
Gross profit		847,024	1,253,622
Other income		1,609	-
Net gain/(loss) on impairment of financial assets		88,946	(80,177)
Administrative expenses		<u>(154,425)</u>	<u>(185,178)</u>
Profit before tax	13	783,154	988,267
Taxation	14	<u>(215,136)</u>	<u>(273,371)</u>
Profit for the financial year		568,018	714,896
Other comprehensive income, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income		<u><u>568,018</u></u>	<u><u>714,896</u></u>

*The accompanying notes form an integral part of the financial statements.*

**WIPRO TECHNOLOGIES SDN. BHD. 200001003304 (505909 - H)**

**(Incorporated in Malaysia)**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<b>Share capital RM</b>	<b>Distributable Retained earnings RM</b>	<b>Total equity RM</b>
Balance as at 1 April 2022	2	708,979	708,981
Profit for the financial year	-	714,896	714,896
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	-	714,896	714,896
Balance as at 31 March 2023	2	1,423,875	1,423,877
Profit for the financial year	-	568,018	568,018
Other comprehensive income, net of tax	-	-	-
Total comprehensive income	-	568,018	568,018
Balance as at 31 March 2024	2	1,991,893	1,991,895

*The accompanying notes form an integral part of the financial statements.*

**WIPRO TECHNOLOGIES SDN. BHD. 200001003304 (505909 - H)**

**(Incorporated in Malaysia)**

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	Note	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		783,154	988,267
Adjustments for:			
Unrealised gain on foreign exchange		(15,855)	(189,236)
(Reversal)/Impairment losses on trade receivables		<u>(88,946)</u>	<u>80,177</u>
Operating profit before changes in working capital		678,353	879,208
Changes in working capital:			
Trade receivables		1,048,683	1,157,190
Contract assets		864,172	(125,101)
Trade and other payables		<u>(1,769,110)</u>	<u>(984,472)</u>
Cash generated from operations		822,098	926,825
Tax paid		(354,066)	(237,486)
Tax refunded		<u>-</u>	<u>81,881</u>
Net cash from operating activities		<u>468,032</u>	<u>771,220</u>
Net increase in cash and cash equivalents		<u>468,032</u>	<u>771,220</u>
Cash and cash equivalents at beginning of financial year		<u>948,298</u>	<u>177,078</u>
Cash and cash equivalents at end of financial year	9	<u><u>1,416,330</u></u>	<u><u>948,298</u></u>

*The accompanying notes form an integral part of the financial statements.*

**WIPRO TECHNOLOGIES SDN. BHD. 200001003304 (505909 - H)**

**(Incorporated in Malaysia)**

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

**1. CORPORATE INFORMATION**

Wipro Technologies Sdn. Bhd. (“The Company”) is a private limited liability company, incorporated and domiciled in Malaysia.

The registered office of the Company is located at Suite 702, 7<sup>th</sup> Floor, Wisma Hangsam, Jalan Hang Lekir, 50000 Kuala Lumpur.

The principal place of business of the Company is located at Suite 25.01, Level 25, The Gardens North Tower Mid Valley City, Lingkaran Syed Putra 59200, Wilayah Persekutuan Kuala Lumpur.

The immediate and ultimate holding companies are Wipro Networks Pte. Ltd. and Wipro Limited, which are incorporated in Singapore and India respectively.

The financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 27 May 2024.

**2. PRINCIPAL ACTIVITIES**

The Company is principally engaged in the business of providing information technology services, including the provision of customer relationship management software services, information technology enabled services, support and knowledge based services and business process outsourcing services. There have been no significant changes in the nature of these activities during the financial year.

**3. BASIS OF PREPARATION**

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 4.1 to the financial statements.

The financial statements of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.



#### 4. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

##### 4.1 New MFRSs adopted during the financial year

The Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board during the financial year:

Title	Effective Date
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform – Pillar Two Model Rules</i>	Refer paragraph 98M of MFRS 12

Adoption of the above Standards and Amendments did not have any material effect on the financial performance or position of the Company.

##### 4.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2024

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Company.

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Company is in the process of assessing the impact of implementing these Standards and Amendments since the effects would only be observable in future financial years.

## **5. SIGNIFICANT ACCOUNTING POLICIES**

### **5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Company's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses is discussed below:

#### Impairment of receivables

The impairment allowances for trade receivables are based on assumptions about risk of default and expected credit loss rates. The Company adopts judgement in making these assumption and selecting inputs for computing such impairment loss, broadly based on the available customers' historical data, the existing market conditions including forward looking estimates at end of the reporting period.

### **5.2 FUNCTIONAL AND FOREIGN CURRENCIES**

#### (a) Functional and presentation currency

The functional currency of the Company is the currency of the primary economic environment in which the Company operates.

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

#### (b) Foreign currency transactions and balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

### **5.3 FINANCIAL INSTRUMENTS**

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, an equity instrument of another enterprise, a contractual right to receive cash or another financial asset from another enterprise, or a contractual right to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially favourable to the Company.

## 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

### 5.3 FINANCIAL INSTRUMENTS

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or a contractual obligation to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially unfavourable to the Company.

Financial instruments are recognised on the statement of financial position when the Company has become a party to the contractual provisions of the instrument. At initial recognition, an entity shall measure a financial asset (unless it is a trade receivable that does not contain a significant financing component measured at the transaction price) or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

#### (a) Financial assets

When financial assets are initially recognised, they are measured at fair value, plus, in the case of financial assets not at Fair Value Through Profit or Loss (“FVTPL”), directly attributable transaction costs.

The Company determines the classification of financial assets upon initial recognition. The measurement for each classification of financial assets are as below:

#### (i) Financial assets measured at amortised cost

Financial assets that are debt instruments are measured at amortised cost if they are held within a business model whose objective is to collect contractual cash flows and have contractual terms which give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss through the amortisation process. Financial assets are carried net of any impairment losses, if any.

## 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

### 5.3 FINANCIAL INSTRUMENTS (continued)

#### (a) Financial assets (continued)

##### (ii) Financial assets measured at fair value

Financial assets that are debt instruments are measured at Fair Value Through Other Comprehensive Income (“FVTOCI”), if they are held within a business model whose objectives are to collect contractual cash flows and selling the financial assets, and have contractual terms which give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets that are debt instruments are measured at fair value. Any gains or losses arising from the changes in fair value are recognised in other comprehensive income, except for impairment losses, exchange differences and interest income which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Financial assets that are debt instruments which do not satisfy the requirements to be measured at amortised cost or FVTOCI are measured at FVTPL.

Equity instruments are classified as financial assets measured at FVTPL if they are held for trading or are designated as such upon initial recognition. Equity instruments are classified as held for trading if they are acquired principally for sale in the near term or are derivatives that do not meet the hedge accounting criteria (including separated embedded derivatives). The Company had elected an irrevocable option to designate its equity instruments not held for trading other than investments in subsidiaries, associates and joint ventures at initial recognition as financial assets measured at FVTPL.

Subsequent to initial recognition, financial assets that are equity instruments are measured at fair value. Any gains or losses arising from the changes in fair value are recognised in profit or loss. Dividends on equity instruments are recognised in profit or loss when the Company’s right to receive payment is established.

## 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

### 5.3 FINANCIAL INSTRUMENTS (continued)

#### (a) Financial assets (continued)

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

Cash and bank balances are measured at amortised cost. Cash and cash equivalents consist of cash at bank and on hand, deposits with licensed banks, short term funds and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three (3) months or less and are used by the Company in the management of its short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or marketplace convention. A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using settlement date accounting.

#### (b) Financial liabilities

Financial liabilities are classified to the substance of the contractual arrangements entered into and meet the definition of a financial liability.

Financial liabilities are recognised in the statements of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at FVTPL or financial liabilities at amortised cost.

#### (i) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This includes derivatives entered into by the Company that do not meet the hedge accounting criteria. Derivatives liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss except for the Company's own credit risk increase or decrease which is recognised in other comprehensive income. Net gain or losses on derivatives include exchange differences.

## 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

### 5.3 FINANCIAL INSTRUMENTS (continued)

#### (b) Financial liabilities (continued)

##### (ii) Financial liabilities at amortised cost

Other financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

A financial liability is derecognised when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires. An exchange between an existing borrower and lender of debt instruments with substantially different terms are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Any difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

#### (c) Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary and preference shares are classified as equity instruments.

Ordinary and preference shares are recorded at the proceeds received at issuance and classified as equity. Transaction costs directly related to the issuance of equity instrument are accounted for as a deduction from equity, net of any related income tax benefit. Otherwise, they are charged to profit or loss.

Interim dividends to shareholder are recognised in equity in the period in which they are declared. Final dividends are recognised upon the approval of shareholder in a general meeting.

The Company measures a liability to distribute non-cash assets as a dividend to the owner of the Company at the fair value of the assets to be distributed. The carrying amount of the dividend is re-measured at the end of each reporting period and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Company recognises the difference, if any, between the carrying amount of the asset distributed and the carrying amount of the liability in profit or loss.

## 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

### 5.4 IMPAIRMENT

#### (a) Impairment of financial assets

The Company applies the simplified approach to measure expected credit losses (“ECL”). This entails recognising a lifetime expected loss allowance for all trade receivables, if any.

Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The estimate of expected cash shortfall shall reflect the cash flows expected from collateral and other credit enhancements that are part of the contractual terms. The shortfall is then discounted at an approximation to the asset’s original effective interest rate of the asset.

The Company considers credit loss experience and observable data such as current changes and futures forecasts in economic conditions of the Company’s industry to the financial statements to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

Impairment for trade receivables that do not contain a significant financing component is recognised based on the simplified approach within MFRS 9 using the lifetime expected credit losses.

In measuring the expected credit losses on trade receivables, the probability of non-payment by the trade receivables is adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statement of profit or loss.

Impairment for other receivables and amounts due from related parties are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve (12) month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. At the end of the reporting period, the Company assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The probability of non-payment of other receivables and amounts due from related parties is adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the twelve (12) month or lifetime expected credit loss for other receivables and amounts due from related parties.

## 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

### 5.4 IMPAIRMENT (continued)

#### (a) Impairment of financial assets (continued)

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

#### (b) Impairment of non-financial assets

The carrying values of assets, other than those to which MFRS 136 *Impairment of Assets* does not apply, are reviewed at the end of each reporting period for impairment when an annual impairment assessment is compulsory or there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow using a pre-tax discount rate. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

### 5.5 INCOME TAXES

#### (a) Current tax

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

#### (b) Deferred tax

Deferred tax are recognised using the liability method for all temporary differences other than those that arise from the initial recognition of an asset of liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.



## **5. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **5.5 INCOME TAXES (continued)**

#### **(b) Deferred tax (continued)**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax asset against current tax liabilities and when the deferred taxes relate to the same taxable entity and the same taxation authority.

### **5.6 LEASES**

#### **The Company as lessee**

The Company recognises a right-of-use asset and a lease liability at the commencement date of the contract for all leases excluding short-term leases or leases for which the underlying asset is of low value, conveying the right to control the use of an identified asset for a period of time.

The Company determines the lease term as the non-cancellable period of a lease, together with both:

- (a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and
- (b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

## 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

### 5.6 LEASES (continued)

#### **The Company as lessee (continued)**

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The Company has elected not to recognise right-of use assets and lease liabilities for short-term leases and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### ***Right-of-use asset***

The right-of-use asset is initially recorded at cost, which comprises:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date of the lease, less any lease incentives received;
- (c) any initial direct costs incurred by the Company; and
- (d) an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the lessor.

Subsequent to the initial recognition, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of the lease liability.

The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

#### ***Lease liability***

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the incremental borrowing rate of the Company. Subsequent to the initial recognition, the Company measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

## 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

### 5.7 RELATED PARTIES

A party is related to an entity (referred to as the “reporting entity”) if:

- (a) A person or a close member of that person’s family is related to a reporting entity if that person:
  - (i) has control or joint control over the reporting entity;
  - (ii) has significant influence over the reporting entity; or
  - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the reporting entity.

- (b) 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).
- (c) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (d) Both entities are joint ventures of the same third party.
- (e) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (f) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (g) The entity is controlled or jointly controlled by a person identified in (a) above.
- (h) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (i) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the reporting entity either directly or indirectly, including its Director (whether executive or otherwise) of that entity.

## 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

### 5.8 FAIR VALUE MEASUREMENTS

Fair value is 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, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;
- Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

### 5.9 REVENUE RECOGNITION

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Company recognises revenue when (or as) it transfers control over a product or service to a customer. An asset is transferred when (or as) the customer obtain control of the asset.

The Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met:

- (a) The customer simultaneously receives and consumes the benefits provided as the Company performs;
- (b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) The Company's performance does not create an asset with an alternative use and the Company has an enforceable right to payment for performance completed to date.

Revenue is measured at the fair value of consideration received or receivable. The following describes the performance obligations in contracts with customers:

#### *Services rendered*

Revenue from sale of products and services rendered is recognised at a point in time when the services has been rendered to the customer and coincides with the services and acceptance by customers.

**5. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**5.10 CONTRACT ASSETS AND LIABILITIES**

The Company classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are primarily related to unbilled amounts on fixed-price contracts.

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Contract liabilities or deferred revenue, consist of advance payments and billings in excess of revenues recognised. The Company classifies deferred revenue as current or non-current based on the timing of when we expect to recognise the revenues.

**6. DEFERRED TAX (ASSETS)/LIABILITIES**

(a) The deferred tax assets and liabilities are made up of the following:

	<b>RM</b>
Balance as at 1 April 2023	(86,419)
Recognised in profit or loss (Note 14)	<u>92,707</u>
Balance as at 31 March 2024	<u><u>6,288</u></u>
Presented after appropriate offsetting:	
Deferred tax liabilities	<u><u>6,288</u></u>

(b) The components and movements of deferred tax assets during the financial year are as follows:

**(Deferred tax assets)/Deferred tax liabilities**

	<b>Provisions RM</b>	<b>Total RM</b>
As at 1 April 2023	(86,419)	(86,419)
Recognised in profit or loss	<u>92,707</u>	<u>92,707</u>
As at 31 March 2024	<u><u>6,288</u></u>	<u><u>6,288</u></u>

## 7. TRADE RECEIVABLES

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Trade receivables</b>		
Third parties	1,041,716	2,090,399
Less: Impairment losses	<u>(17,140)</u>	<u>(106,086)</u>
	<u><u>1,024,576</u></u>	<u><u>1,984,313</u></u>

(a) Trade receivable is non-interest bearing and the normal trade credit terms granted by the Company is 30 days (2023: 30 days) from the date of invoice. They are recognised at their original invoice amounts, which represented their fair values on initial recognition.

(b) The ageing analysis of trade receivables, excluding deposit of the Company is as follows:

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Neither past due nor impaired	822,667	1,165,747
Past due nor impaired		
1 to 30 days	201,909	504,066
31 to 60 days	-	-
61 to 90 days	-	-
91 to 180 days	-	60,482
180 to 360 days	-	254,018
	201,909	818,566
Impaired trade receivables	<u>17,410</u>	<u>106,086</u>
	<u><u>1,041,716</u></u>	<u><u>2,090,399</u></u>

Trade receivables were creditworthy debtors with healthy business relationship, in which the management is of the view that the amounts were recoverable based on good payment records.

(c) Trade receivables are denominated in RM.

(d) At the end of the reporting period, 78.97% (2023: 40%) of the trade receivables of the Company are owing by one (1) customer.

**7. TRADE RECEIVABLES (continued)**

- (e) The reconciliation of movements in the impairment losses on trade receivables is as follows:

	<b>Lifetime ECL allowance* RM</b>	<b>Credit impaired RM</b>	<b>Total allowance RM</b>
<b>At 1 April 2022</b>	-	25,908	25,908
Charge during the financial year	-	80,178	80,178
<b>At 31 March 2023</b>	-	106,086	106,086
<b>At 1 April 2023</b>	-	106,086	106,086
Reversal during the financial year	-	(88,946)	(88,946)
	-	17,140	17,140

*\*The effects of expected credit loss is insignificant*

Credit impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the financial year end.

A receivable is considered as default when such customer did not perform their obligation to make payment within the period granted or allowed.

- (f) No expected credit loss is recognised arising from other receivables as it is negligible.

**8. CONTRACT ASSETS**

	<b>2024 RM</b>	<b>2023 RM</b>
Unbilled receivables	-	864,172

- (a) Contract assets were denominated in RM.  
(b) No expected credit loss was recognised arising from contract assets as it was negligible.

**9. BANK BALANCES**

	<b>2024 RM</b>	<b>2023 RM</b>
Bank balances	1,416,330	948,298

- (a) Bank balances are denominated in RM.  
(b) No expected credit loss is recognised arising from bank balance as it is negligible.

## 10. SHARE CAPITAL

	2024		2023	
	Number of shares	RM	Number of shares	RM
<b>Issued and fully paid up ordinary shares:</b>				
As at beginning/end of the financial year	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

The owner of the Company is entitled to receive dividends as and when declared by the Company and is entitled to one (1) vote per share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

## 11. TRADE AND OTHER PAYABLES

	2024 RM	2023 RM
<b>Trade payables</b>		
Ultimate holding company	415,736	780,554
Related parties	41,402	1,060,589
Third party	600	689
	457,738	1,841,832
<b>Other payables</b>		
Other payables	27,437	249,006
Accruals	51,061	230,364
	<u>536,236</u>	<u>2,321,202</u>

(a) Amount due to ultimate holding company is trade in nature, unsecured and interest free and payable upon demand in cash and cash equivalents.

(b) Amount due to related parties is trade in nature, unsecured and interest free and payable upon demand in cash and cash equivalents.

(c) Foreign currency exposure of trade and other payables of the Company is as follows:

	2024 RM	2023 RM
United States Dollar	<u>457,138</u>	<u>1,004,861</u>

(d) Sensitivity analysis of RM against foreign currency at the end of each reporting period, assuming that all other variables remain constant, are as follows:

	2024 RM	2023 RM
<b>Effect of foreign currency strengthen by 3% against RM</b>		
Profit after tax	<u>(13,714)</u>	<u>(16,895)</u>

If the relevant foreign currency weaken by 3% against RM, impact on loss after tax would be vice versa.



## 12. REVENUE

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Services rendered	8,470,230	13,735,321
Revenue recognition based on:		
- Transfer point over time	6,777,280	7,026,109
- Transfer point in time	1,692,950	6,709,212

## 13. PROFIT BEFORE TAX

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Profit before tax is arrived at after charging:		
Auditors' remuneration	39,386	37,510

## 14. TAXATION

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Malaysia income tax:		
Current income tax	120,476	359,790
Under provision in prior year	1,953	-
Deferred taxation: (Note 6)		
Relating to origination and reversal of temporary differences	92,707	(86,419)
	<u>215,136</u>	<u>273,371</u>

(a) The Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated taxable profit for the fiscal year.

(b) The numerical reconciliation between the effective tax rate and the applicable tax rate of the Company is as follows

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Profit before tax	783,154	988,267
Tax at statutory tax rate of 24% (2023: 24%)	187,957	237,184
Tax effects in respect of:		
Non-allowable expenses	4,393	37,387
Non-taxable income	-	(1,200)
Utilisation of previously unrecognised deferred tax asset	20,833	-
Under provision of current tax in prior year	1,953	-
	<u>215,136</u>	<u>273,371</u>

## 15. RELATED PARTY DISCLOSURES

### (a) Identities of related parties

Parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties could be individuals or other parties.

Related parties of the Company includes:

- (i) Wipro Limited, the ultimate holding company;
- (ii) Wipro Networks Pte. Ltd., the immediate holding company;
- (iii) Eximius Design, LLC, Wipro VLSI Design Services India Private Limited and Wipro Technologies S.A DE C. V - Direct or indirect subsidiaries, associated companies or jointly controlled entities of the ultimate holding company; and
- (iv) Key management personnel which comprises persons (including the Directors of the Company) having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly.

### (b) Significant related party transactions and balances

In addition to the transactions detailed elsewhere in the financial statements, the Company had the following transactions with the related party during the financial year:

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Purchases:		
Ultimate Holding Company	6,996,845	8,112,632
Direct or indirect subsidiaries of the ultimate holding company	<u>626,361</u>	<u>4,356,335</u>

- (i) Balances of the above related party are disclosed in Note 11 to the financial statements.
- (ii) The related party transactions described above were carried out on terms and conditions not materially different from those obtainable from transactions with unrelated parties.

### (c) Compensation of key management personnel

The key management of the Company are the Directors. There is no compensation of key management personnel during the financial year.

## 16. CONTINGENT LIABILITIES

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Bank guarantee	-	345,920

## 17. CAPITAL AND FINANCIAL RISK MANAGEMENT

### (a) Capital management

The primary objective of the capital management of the Company is to ensure that the Company would be able to continue as a going concern and to maintain an optimal capital structure so as to maximise the value of shareholder.

The capital structure of the Company is represented by the equity. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2024 and 31 March 2023.

The Company is not subject to any externally imposed capital requirements.

### (b) Classification of financial instruments

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Financial assets</b>		
<i>Loans and Receivables</i>		
Trade receivables	1,024,576	1,984,313
Contract assets	-	864,172
Cash and bank balances	1,416,330	948,298
	<u>2,440,906</u>	<u>3,796,783</u>
<b>Financial liabilities</b>		
<i>Other financial liabilities</i>		
Trade and other payables	79,098	480,059
Amount due to ultimate holding company	415,736	780,554
Amount due to related parties	41,402	1,060,589
	<u>536,236</u>	<u>2,321,202</u>

## 17. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

### (c) Financial risk management

The overall financial risk management objective of the Company is to optimise its shareholder's value and not to engage in speculative transactions.

The Company is exposed mainly to foreign currency risk, credit risk and liquidity and cash flow risk. Information on the management of the related exposures is detailed below:

#### (i) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from United States Dollar ("USD"). Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

#### (ii) Credit risk

Exposure to credit risk arises mainly from sales made on credit terms and deposits with licensed banks. The Company controls the credit risk on sales by ensuring that its customers have sound financial position and credit history.

Deposits with licensed banks are placed with reputable financial institutions.

#### (iii) Liquidity and cash flow risk

The Company actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Company measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Company.

The table below summarises the maturity profile and the liabilities of the Company at the end of each reporting period based on contractual undiscounted repayment obligations.

	<b>On demand or within one year RM</b>	<b>One to five years RM</b>	<b>Over five Years RM</b>	<b>Total RM</b>
<b>2024</b>				
<b>Financial liabilities</b>				
Trade and other Payables	79,098	-	-	79,098
Amount due to ultimate holding company	415,736	-	-	415,736
Amount due related parties	41,402	-	-	41,402
<b>2023</b>				
<b>Financial liabilities</b>				
Trade and other Payables	480,059	-	-	480,059
Amount due to ultimate holding company	780,554	-	-	780,554
Amount due related parties	1,060,589	-	-	1,060,589

**17. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)**

(d) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

Financial instruments that are not carried at fair values and whose carrying amounts are reasonable approximation of fair values

The carrying amounts of financial assets and financial liabilities, such as trade receivables, trade and other payables, and amount due to ultimate holding company are reasonable approximation of fair values due to their short-term nature.