

**STOR SYSTEMS LTD**  
**FINANCIAL STATEMENTS - FOR THE YEAR ENDED**  
**JUNE 30, 2023**

**STOR SYSTEMS LTD**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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## **STOR SYSTEMS LTD**

### **MANAGEMENT AND ADMINISTRATION**

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<b>DIRECTORS :</b>	<b>Date of appointment</b>	<b>Date of resignation</b>
Khulputeea Jumbraj	May 08, 2018	-
Khulputeea Sakun	June 18, 2018	-
Ruchchan Kiran Kumar	June 18, 2018	-

**REGISTERED OFFICE :** Royal Road,  
New Grove,  
Republic of Mauritius.

**COMPANY SECRETARY :** Mr. Ruchchan Kiran Kumar  
84, Morcellement Providencia  
11 Providence,  
Quartier Militaire  
Republic of Mauritius.

**AUDITORS :** BIT Associates  
Chartered Certified Accountants & Registered Auditors  
50 Avenue Des Mouettes,  
Sodnac,  
Quatre Bornes,  
Republic of Mauritius.

**BANKER :** The Mauritius Commercial Bank Ltd  
Sir William Newton Street,  
Port Louis,  
Republic of Mauritius.

## STOR SYSTEMS LTD

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The directors have the pleasure to submit their report together with the audited financial statements of STOR SYSTEMS LTD (the "Company") for the year ended June 30, 2023.

### PRINCIPAL ACTIVITY

STOR SYSTEMS LTD is an Information and Communication Technology company providing end-to-end solutions to customers comprising of IT infrastructure, communication, middleware/database and security. The Company is an authorized partner of some major IT brands such as Oracle, IBM, Microsoft, Veritas, Symantec and HP.

### RESULTS AND DIVIDENDS

The results for the year are as shown in the statement of profit or loss and other comprehensive income on page 10.

A dividend of MUR 138,000 was proposed and paid during the year ended June 30, 2023 (2022: Nil).

### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors acknowledge their responsibilities for:

- (i) the maintenance of adequate accounting records and effective internal control systems;
- (ii) the preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the results of its operations and cash flows for that period and which comply with International Financial Reporting Standards (IFRS); and
- (iii) the selection of appropriate accounting policies supported by reasonable and prudent judgements.

The directors report that:

- (i) adequate accounting records and an effective system of internal controls and risk management have been maintained;
- (ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- (iii) International Financial Reporting Standards have been adhered to. *Any departure in the interest of fair presentation has been disclosed, explained and quantified.*

### DIRECTORS' SERVICE CONTRACTS

None of the Directors had any contract of service with the Company during the year.

### DIRECTORS' SHARE INTEREST

The directors, both past and present, do not hold any shares in the Company nor do they have any dealings in those shares.

### CONTRACT OF SIGNIFICANCE

None of the Directors had any contract of significance with the Company during the year.

### DIRECTORS' REMUNERATION

Directors' remuneration

2023	2022
MUR	MUR
1,050,000	275,000

### DONATION

The Company made donations amounting to MUR 90,000 during the year ended 30 June 2023 (2022: Nil).



**STOR SYSTEMS LTD**

**DIRECTORS' REPORT FOR THE YEAR ENDED JUNE 30, 2023 (CONTINUED)**

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**AUDITORS**

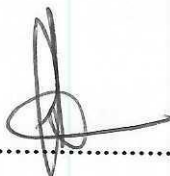
The auditors, **BIT Associates**, have expressed their willingness to continue in office and will be automatically re-appointed.

**AUDITORS' REMUNERATION**

BIT Associates (Audit fees)

<u>2023</u>	<u>2022</u>
<u>MUR</u>	<u>MUR</u>
<u>125,000</u>	<u>110,000</u>

Signed on behalf of the Board of Directors .....



Date:

06 Oct 2023

**STOR SYSTEMS LTD**

**CERTIFICATE FROM THE SECRETARY  
UNDER SECTION 166 (d) OF THE COMPANIES ACT 2001**

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We certify, to the best of our knowledge and belief, that **STOR SYSTEMS LTD** (the "Company") has filed with the Registrar of Companies all such returns as are required of the Company under Section 166 (d) of the Companies Act 2001 for the year ended June 30, 2023.

  
\_\_\_\_\_  
For and behalf of  
**Mr. Ruchchan Kiran Kumar**  
**Company Secretary**

84, Morcellement Providencia  
11 Providence,  
Quartier Militaire  
Mauritius

Date: 06 Oct 2023

**INDEPENDENT AUDITORS' REPORT**

**To the Shareholder of  
STOR SYSTEMS LTD**

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

**Opinion**

We have audited the financial statements of **STOR SYSTEMS LTD** (the "Company"), on pages 9 to 29 which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 9 to 29 give a true and fair view of the financial position of the Company as at June 30, 2023, and of its financial performance, its changes in equity and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

**Basis for opinion**

We conducted our audit in accordance with 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

**Responsibilities of Directors and Those Charged with Governance for the Financial Statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.



**INDEPENDENT AUDITORS' REPORT**

To the Shareholder of  
**STOR SYSTEMS LTD**

**Report on the Audit of the Financial Statements (continued)****Responsibilities of Directors and Those Charged with Governance for the Financial Statements (continued)**

In preparing the financial statements, the directors are responsible for assessing the Company's ability 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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.
- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of 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 Company's ability 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 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITORS' REPORT**

**To the Shareholder of  
STOR SYSTEMS LTD**

**Report on the Audit of the Financial Statements (continued)**

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

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other matter**

This report is made solely to the shareholder of the Company, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinions we have formed.

**Report on Other Legal and Regulatory Requirements**

*Companies Act 2001*

We have no relationship with, or interests in the Company, other than in our capacity as auditors.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.



**BIT ASSOCIATES**  
*Chartered Certified Accountants  
& Registered Auditors*

**BIT ASSOCIATES**

Quatre Bornes,  
Mauritius

Date: **06 OCT 2023**

50, Avenue des Mouettes  
Sodnac, Quatre Bornes, 72256  
Mauritius  
Tel.: (230) 464 6801  
Email : bitassociates@intnet.mu



**DWARKA SOOCHIT, FCCA, FCMA, CGMA**  
*Licensed by FRC*







STOR SYSTEMS LTD

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

	Notes	2023 MUR	2022 MUR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5(a)	1,512,669	1,389,648
Right-of-use assets	5(b)	1,781,490	835,087
		<u>3,294,159</u>	<u>2,224,735</u>
<b>Current assets</b>			
Trade and other receivables	6	21,961,107	32,036,035
Cash and cash equivalents	7	14,082,086	15,951,246
		<u>36,043,193</u>	<u>47,987,281</u>
<b>Total assets</b>		<u><u>39,337,352</u></u>	<u><u>50,212,016</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Stated capital	8	50,000	50,000
Retained earnings		15,171,590	12,357,516
<b>Total equity</b>		<u>15,221,590</u>	<u>12,407,516</u>
<b>Non-current liabilities</b>			
Lease liabilities	9	<u>224,773</u>	<u>437,667</u>
<b>Current liabilities</b>			
Trade and other payables	10	22,432,007	32,521,231
Amounts due to related parties	11	862,856	4,248,255
Lease liabilities	9	209,569	189,972
Tax liability	12	386,557	407,375
		<u>23,890,989</u>	<u>37,366,833</u>
<b>Total equity and liabilities</b>		<u><u>39,337,352</u></u>	<u><u>50,212,016</u></u>

These financial statements have been approved by the Board of Directors on **06 OCT 2023** and signed on its behalf by:

 <u>DIRECTOR'S NAME</u>	 <u>SIGNATURE</u>
 <u>DIRECTOR'S NAME</u>	 <u>SIGNATURE</u>

The notes on pages 13 to 29 form an integral part of these financial statements.  
Independent auditors' report is on pages 6 to 8.

**STOR SYSTEMS LTD**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Notes</u>	<u>2023</u> <u>MUR</u>	<u>2022</u> <u>MUR</u>
Turnover	2.3	136,106,659	119,813,122
Cost of sales		<u>(105,129,919)</u>	<u>(97,250,552)</u>
Gross profit		30,976,740	22,562,570
Other income		164,250	-
Other operating expenses and administrative expenses		(28,686,199)	(20,346,467)
Depreciation and amortisation	5(a) and (b)	(756,956)	(538,632)
Finance income		<u>1,740,909</u>	<u>686,958</u>
Profit before tax		3,438,744	2,364,429
Taxation	12	<u>(486,670)</u>	<u>(412,880)</u>
Profit for the year		2,952,074	1,951,549
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<u><u>2,952,074</u></u>	<u><u>1,951,549</u></u>

The notes on pages 13 to 29 form an integral part of these financial statements.  
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**STOR SYSTEMS LTD**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Stated capital</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>MUR</b>	<b>MUR</b>	<b>MUR</b>
Balance at July 01, 2021	50,000	10,405,967	10,455,967
Total comprehensive income for the year:			
- Profit for the year	-	1,951,549	1,951,549
- Other comprehensive income	-	-	-
<b>Balance at June 30, 2022</b>	<b>50,000</b>	<b>12,357,516</b>	<b>12,407,516</b>
Balance at July 01, 2022	50,000	12,357,516	12,407,516
Total comprehensive income for the year:			
- Profit for the year	-	2,952,074	2,952,074
- Other comprehensive income	-	-	-
- Dividend paid	-	(138,000)	(138,000)
<b>Balance at June 30, 2023</b>	<b>50,000</b>	<b>15,171,590</b>	<b>15,221,590</b>

The notes on pages 13 to 29 form an integral part of these financial statements.  
Independent auditors' report is on pages 6 to 8.

**STOR SYSTEMS LTD**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Notes</b>	<b>2023</b>	<b>2022</b>
		<b>MUR</b>	<b>MUR</b>
<b>Cash generated from operations</b>			
Profit before tax		3,438,744	2,364,429
<i>Adjustments for:</i>			
Depreciation and amortisation		756,956	538,632
Foreign exchange gain		(1,740,909)	(686,958)
		<u>2,454,791</u>	<u>2,216,103</u>
<b>Changes in working capital:</b>			
-Decrease / (increase) in trade and other receivables		10,074,928	(14,819,790)
- (Decrease) / increase in trade and other payables		(10,089,224)	19,270,519
<b>Cash generated from operating activities</b>		<u>2,440,495</u>	<u>6,666,832</u>
Taxation paid	12	(407,375)	(394,154)
TDS withheld		(100,113)	(5,507)
<b>Net cash flows generated from operating activities</b>		<u>1,933,007</u>	<u>6,267,171</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	5(a)	(480,380)	(395,946)
Purchase of right-of-use asset	5(b)	(1,346,000)	-
<b>Net cash flows absorbed into investing activities</b>		<u>(1,826,380)</u>	<u>(395,946)</u>
<b>Cash flows from financing activities</b>			
Repayment of loan from related parties	14	(3,385,399)	(33,264)
Repayment of lease liabilities		(193,297)	(178,295)
Repayment of borrowings		-	(30,128)
Dividend paid		(138,000)	-
<b>Net cash flows absorbed into financing activities</b>		<u>(3,716,696)</u>	<u>(241,687)</u>
<b>(Decrease) / increase in cash and cash equivalents</b>		<u>(3,610,069)</u>	<u>5,629,538</u>
<b>Movement in cash and cash equivalents</b>			
At July 01		15,951,246	9,634,750
(Decrease) / increase		(3,610,069)	5,629,538
Effects of foreign exchange difference		1,740,909	686,958
<b>At June 30,</b>	7	<u>14,082,086</u>	<u>15,951,246</u>

The notes on pages 13 to 29 form an integral part of these financial statements.  
Independent auditors' report is on pages 6 to 8.



## **STOR SYSTEMS LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023**

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#### **1. GENERAL INFORMATION**

**STOR SYSTEMS LTD** (the "Company") was incorporated on May 08, 2018 as a private company limited by shares and is domiciled in Mauritius. Its registered address is Royal Road, New Grove, Mauritius.

These financial statements will be submitted for consideration and approval at the Annual Meeting of shareholder of the Company.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **2.1 Basis of preparation**

The financial statements of the Company comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost convention, except that:

- (i) relevant financial assets and financial liabilities are stated at their fair values; and
- (ii) relevant financial assets and financial liabilities are carried at amortised cost.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

There were no major estimates and assumptions made during the year that have a significant risk of causing material adjustment to the carrying amounts of the Company's assets and liabilities within the next financial year.

##### **New standards, interpretations and amendments adopted by the Company**

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2022, except for the adoption of new standards effective as of 1 January 2022. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2022, but do not have an impact on the financial statements of the Company.

##### **Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37**

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.1 Basis of preparation (continued)**

**Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37 (continued)**

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the financial statements of the Company.

**Reference to the Conceptual Framework – Amendments to IFRS 3**

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the financial statements of the Company as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arisen during the period.

**Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16**

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

## **STOR SYSTEMS LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023**

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#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **2.1 Basis of preparation (continued)**

###### **IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter**

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments had no impact on the financial statements of the Company as it is not a first-time adopter.

###### **IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.

These amendments had no impact on the financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

###### **IAS 41 Agriculture – Taxation in fair value measurements**

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no impact on the financial statements of the Company as it did not have assets in scope of IAS 41 as at the reporting date.



## STOR SYSTEMS LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.1 Basis of preparation (continued)

#### New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

IFRS 17 (including the June 2020 amendments to IFRS 17)	Insurance Contracts <i>Effective date: January 01, 2023</i>
IFRS 10 and IAS 28 (amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <i>Effective date: Not yet set by IASB</i>
Amendments to IAS 1	Classification of Liabilities as Current or Non-current <i>Effective date: January 01, 2023</i>
Amendments to IAS 1	Non-current Liabilities with Covenants <i>Effective date: 01 January 2024</i>
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies <i>Effective date: January 01, 2023</i>
Amendments to IAS 8	Definition of Accounting Estimates <i>Effective date: January 01, 2023</i>
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <i>Effective date: January 01, 2023</i>
Amendments to IAS 12	International Tax Reform — Pillar Two Model Rules <i>Effective date: 01 January 2023</i>
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback <i>Effective date: 01 January 2024</i>
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements <i>Effective date: 01 January 2024</i>

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.2 Foreign currency transactions

#### *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Mauritian Rupee ("MUR") which is the Company's functional and presentation currency.

#### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

### 2.3 Revenue recognition

#### *Revenue from contracts with customers*

#### *Performance obligations and timing of revenue recognition*

The majority of the revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with the customer.

#### *Determining the transaction price and allocation of revenue earned to performance obligation*

The revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Interest income is recognised using the effective interest method.

### 2.4 Expense recognition

All expenses are accounted for in the profit or loss on the accruals basis.

### 2.5 Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is calculated on the straight-line method to write off the cost of the assets to their residual values over their estimated useful lives as follows:

Furniture and fittings	20%
Computer equipment	33.33%
Building	5%
Motor vehicle	20%
Tools and equipment	20%

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss.



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.6 Current and deferred income tax**

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

*Current tax*

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

*Deferred tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable amounts will be available against which deductible temporary differences and losses can be utilised.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

**2.7 Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

**2.8 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.9 Intangible assets**

Intangible assets comprise purchased computer software and are stated at cost less accumulated amortisation and any accumulated impairment losses. They are amortised over their estimated life of five years using the straight-line method. If there is an indication that there has been significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new expectations.

**2.10 Financial assets**

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired.

The Company's accounting policies in respect of the main financial assets are set out below:

*(i) Amortised cost*

*Trade and other receivables*

Trade and other receivables are initially stated at fair value and subsequently measured at amortised cost using the effective interest method.

*Cash and cash equivalents*

Cash and cash equivalents include cash in hand, cash at bank and short term highly liquid investments with original maturity of 3 months or less. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

*Expected credit losses (ECL)*

Impairment provisions for loans and receivables are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

*Derecognition of financial assets*

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.11 Financial liabilities**

The Company classifies its financial liabilities depending on the purpose for which the liability was acquired. The Company's accounting policy for other financial liabilities is as follows:

Short-term monetary liabilities are initially stated at fair value and subsequently measured at amortised cost using the effective interest method.

The Company's financial liabilities include the following:

*(i) Loan payable to related parties*

Loan payable to related parties is initially stated at fair value being funds received from related parties. Loan payable to related parties is subsequently stated at amortised cost using the effective interest method.

*(ii) Trade and other payables*

Trade and other payables are initially stated at fair value and subsequently measured at amortised cost using the effective interest method.

*Derecognition of financial liabilities*

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**2.12 Lease liabilities**

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.12 Lease liabilities (continued)**

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Equipment' policy.

**2.13 Inventories**

Inventories are stated at the lower of cost and net realisable value. The costs of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

**2.14 Stated Capital**

Ordinary shares are classified as equity.

**2.15 Related parties**

For the purpose of the financial statements, parties are considered as related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions or vice versa or where the Company is subject to common control. Related parties may be individuals or other entities.

**2.16 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognised in other comprehensive income and reclassified to profit or loss when the qualifying asset affects profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalised borrowing costs reflect the hedged interest rate.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.16 Borrowing costs (continued)**

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**2.17 Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. Income and expenses will not be offset in the profit or loss unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Company.

**3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES****3.1 Financial risk factors**

The Company's activities expose it to a variety of financial risks, including:

- Liquidity risk;
- Currency risk;
- Credit risk;
- Interest rate risk; and
- Price risk.

A description of the significant risk factors is given below together with the risk management policies applicable.

**(i) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of reporting period to the contractual maturity date.

	<b>Within 1 year</b>	<b>Between 1 and 5 years</b>	<b>Repayable on demand</b>	<b>Total</b>
	<b>MUR</b>	<b>MUR</b>	<b>MUR</b>	<b>MUR</b>
<b><u>2023</u></b>				
Trade and other payables	22,432,007	-	-	22,432,007
Borrowings	-	-	862,856	862,856
Lease liabilities	209,569	224,773	-	434,342
	<u>22,641,576</u>	<u>224,773</u>	<u>862,856</u>	<u>23,729,205</u>
<b><u>2022</u></b>				
Trade and other payables	32,521,231	-	-	32,521,231
Borrowings	-	-	4,248,255	4,248,255
Lease liabilities	189,972	437,667	-	627,639
	<u>32,711,203</u>	<u>437,667</u>	<u>4,248,255</u>	<u>37,397,125</u>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

## 3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

## 3.1 Financial risk factors (continued)

(ii) Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Company has monetary assets and liabilities denominated in foreign currencies. The table below summarises the currency profile of the Company's financial assets and financial liabilities.

	Financial assets	Financial liabilities
	MUR	MUR
<b>2023</b>		
Mauritian Rupee ("MUR")	6,270,619	12,407,711
United States Dollar ("USD")	29,772,574	11,321,494
	<b>36,043,193</b>	<b>23,729,205</b>
	Financial assets	Financial liabilities
	MUR	MUR
<b>2022</b>		
Mauritian Rupee ("MUR")	6,594,457	28,232,878
United States Dollar ("USD")	40,270,925	9,164,247
Euro ("EUR")	1,069,749	-
South African Rand ("ZAR")	52,150	-
	<b>47,987,281</b>	<b>37,397,125</b>

The following table demonstrate the sensitivity to a reasonably possible change in the exchange rates, with all other variables held constant on the Company's net financial assets:

		Increase/ (decrease) in exchange rates	Effect on net financial assets 2023	Effect on net financial assets 2022
			EUR	EUR
<i>Currency risk sensitivity analysis</i>				
United States Dollar (USD)	+5%		922,554	1,555,334
United States Dollar (USD)	-5%		(922,554)	(1,555,334)
Euro (EUR)	+5%		-	53,487
Euro (EUR)	-5%		-	(53,487)
South African Rand ("ZAR")	+5%		-	2,608
South African Rand ("ZAR")	-5%		-	(2,608)

(iii) Credit risk

Credit risk is primarily attributable to trade and other receivables and cash and cash equivalents. The amounts presented in the statement of financial position are net of allowances for impairment, estimated by the Company's management based on prior experiences and the current environment. The Company limits its exposure to credit risk associated with its cash at bank by investing in reputable institutions.



**3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****3.1 Financial risk factors (continued)****(iv) Interest rate risk**

As the Company has no significant interest-bearing assets and liabilities, the Company's income and operating cash flows are substantially independent of changes in market interest rates.

**(v) Price risk**

Equity price risk is the risk of unfavourable changes in fair values of equities as the result of changes in the value of individual shares. The Company has no exposure to price risk at year end.

**3.2 Capital risk factors**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged during the year under review.

*Gearing ratio*

The Company's management reviews the capital structure on a regular basis and as part of this review management considers the cost of capital and the risks associated with each class of capital.

The gearing ratio at end of the year was as follows:

	2023	2022
	MUR	MUR
Equity	15,221,590	12,407,516
Net debt (total liabilities less cash and cash equivalents)	9,647,119	21,445,879
Total debt and equity	<u>24,868,709</u>	<u>33,853,395</u>
Gearing Ratio	<u>0.61</u>	<u>0.37</u>

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Limitation of sensitivity analysis**

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

## Critical accounting estimates and assumptions (continued)

Limitation of sensitivity analysis (continued)

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

Useful lives and residual values of property, plant and equipment

Determining the carrying amounts of property, plant and equipment requires the estimation of the useful lives and residual values of these assets which carry a degree of uncertainty. The Directors have used historical information relating to the Company in order to best determine the useful lives and residual values of property, plant and equipment.

## 5(a). PROPERTY, PLANT AND EQUIPMENT

	Land and Building	Furniture and Fittings	Computer equipment	Tools and Equipment	Total
<u>2023</u>	MUR	MUR	MUR	MUR	MUR
<b>COST</b>					
At July 01, 2022	915,427	211,593	706,156	103,866	1,937,042
Additions	-	157,690	322,690	-	480,380
At June 30, 2023	<u>915,427</u>	<u>369,283</u>	<u>1,028,846</u>	<u>103,866</u>	<u>2,417,422</u>
<b>DEPRECIATION</b>					
At July 01, 2022	94,549	71,727	362,384	18,734	547,394
Charge for the year	45,771	53,759	232,642	25,187	357,359
At June 30, 2023	<u>140,320</u>	<u>125,486</u>	<u>595,026</u>	<u>43,921</u>	<u>904,753</u>
<b>NET BOOK VALUE</b>					
At June 30, 2023	<u>775,107</u>	<u>243,797</u>	<u>433,820</u>	<u>59,945</u>	<u>1,512,669</u>
	Land and Building	Furniture and Fittings	Computer equipment	Tools and Equipment	Total
<u>2022</u>	MUR	MUR	MUR	MUR	MUR
<b>COST</b>					
At July 01, 2021	915,427	211,593	382,526	31,550	1,541,096
Additions	-	-	323,630	72,316	395,946
At June 30, 2022	<u>915,427</u>	<u>211,593</u>	<u>706,156</u>	<u>103,866</u>	<u>1,937,042</u>
<b>DEPRECIATION</b>					
At July 01, 2021	48,778	27,322	217,463	2,629	296,192
Charge for the year	45,771	44,405	144,921	16,105	251,202
At June 30, 2022	<u>94,549</u>	<u>71,727</u>	<u>362,384</u>	<u>18,734</u>	<u>547,394</u>
<b>NET BOOK VALUE</b>					
At June 30, 2022	<u>820,878</u>	<u>139,866</u>	<u>343,772</u>	<u>85,132</u>	<u>1,389,648</u>

**STOR SYSTEMS LTD**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023**

**5(b). RIGHT-OF-USE ASSETS**

	<b>2023</b>	<b>2022</b>
	<b>Motor vehicles</b>	<b>Motor vehicles</b>
	<b>MUR</b>	<b>MUR</b>
<b>COST</b>		
At July 01,		
Additions	<b>1,437,150</b>	1,437,150
At June 30,	<b>1,346,000</b>	-
	<b>2,783,150</b>	1,437,150
<b>DEPRECIATION</b>		
At July 01,		
Charge for the year	<b>602,063</b>	314,633
At June 30,	<b>399,597</b>	287,430
	<b>1,001,660</b>	602,063
<b>NET BOOK VALUE</b>		
At June 30,	<b>1,781,490</b>	835,087

**5(c). INTANGIBLE ASSET**

	<b>2023</b>	<b>2022</b>
	<b>Computer software</b>	<b>Computer software</b>
	<b>MUR</b>	<b>MUR</b>
<b>COST</b>		
At July 01,		
Additions	<b>45,500</b>	45,500
At June 30,	-	-
	<b>45,500</b>	45,500
<b>AMORTISATION</b>		
At July 01,		
Charge for the year	<b>45,500</b>	45,500
At June 30,	-	-
	<b>45,500</b>	45,500
<b>NET BOOK VALUE</b>		
At June 30,	-	-

The above computer software is fully amortised but still in use by the Company.

**6. TRADE AND OTHER RECEIVABLES**

	<b>2023</b>	<b>2022</b>
	<b>MUR</b>	<b>MUR</b>
Trade receivables	<b>17,475,874</b>	32,032,545
Other receivables	<b>4,485,233</b>	3,490
	<b>21,961,107</b>	32,036,035

**7. CASH AND CASH EQUIVALENTS**

	<b>2023</b>	<b>2022</b>
	<b>MUR</b>	<b>MUR</b>
Cash at bank	<b>14,082,086</b>	15,951,246



# STOR SYSTEMS LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

### 8. STATED CAPITAL

	2023	2022
	MUR	MUR
<u>Issued and fully paid</u>		
50 Ordinary shares of Rs 1,000 each	50,000	50,000

#### *Rights and restrictions attached to ordinary shares:*

##### Voting rights

Each ordinary share shall entitle its holder to receive notice of, and to attend and vote at any meeting of the Company.

##### Rights relating to dividends

Each ordinary share shall entitle its holder the right of an equal share in dividends as authorised by the board.

##### Rights relating to repayment of capital

Upon winding-up, each ordinary share shall entitle its holder the right to an equal share in the distribution of the surplus assets of the Company.

### 9. LEASE LIABILITIES

	2023	2022
	MUR	MUR
<u>Non- current liability</u>		
Lease - Motor Vehicles	224,773	437,667

##### Current liability

Lease - Motor Vehicles	209,569	189,972
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### 10. TRADE AND OTHER PAYABLES

	2023	2022
	MUR	MUR
Trade payables	11,643,808	9,395,710
Other payables	10,788,199	23,125,521
	22,432,007	32,521,231

### 11. AMOUNTS DUE TO RELATED PARTIES

	2023	2022
	MUR	MUR
Payable to related parties (note 14)	862,856	4,248,255

Loan from related parties are interest free, unsecured and repayable upon demand.

### 12. TAXATION

The Company is taxable at 3% (exports of goods) and 15% (local sales) on its tax adjusted profit for the year. There is no tax on capital gains in Mauritius.

	2023	2022
	MUR	MUR
<i>Tax liability</i>		
At July 01,	407,375	394,156
Tax charge for the year	430,113	353,624
Tax (overprovision) / underprovision	-	(2)
CSR	56,557	59,258
Paid during the year	(407,375)	(394,154)
Less: TDS Receivables	(100,113)	(5,507)
At June 30,	386,557	407,375

# STOR SYSTEMS LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

### 12. TAXATION (CONTINUED)

	2023	2022
	MUR	MUR
Tax expense		
Profit before tax	3,438,744	2,364,429
Add unauthorised deductions	1,078,106	972,896
Less allowable deductions	(865,877)	(509,498)
Chargeable income	3,650,973	2,827,827
Tax at 15%	400,730	335,986
Tax at 3%	29,383	17,638
CSR	56,557	59,258
Tax (overprovision) / underprovision	-	(2)
Total tax expense	486,670	412,880

### 13. DIVIDEND

Dividend amounting to MUR 138,000 was paid during the year ended June 30, 2023 (2022: Nil).

### 14. RELATED PARTY TRANSACTIONS

During the years ended June 30, 2023 and 2022, the Company had transactions with related parties. The nature, transactions and the balances with the related parties are as follows:

Name of related party	Relationship	Nature of transaction	Transactions for the year ended		Balance payable	
			2023	2022	2023	2022
			MUR	MUR	MUR	MUR
Stor Enterprises Ltd	Shareholder	Loan payable	847,637	(33,264)	862,856	15,219
Stor Systems Zambia Ltd	Sister company	Loan payable	(4,233,036)	-	-	4,233,036

### 15. GOING CONCERN

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubts upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

### 16. CONTINGENT LIABILITIES

At June 30, 2023, the Company had no contingent liabilities (2022: Nil).

### 17. CAPITAL COMMITMENTS

At June 30, 2023, the Company had no capital commitments (2022: Nil).

### 18. HOLDING COMPANY

The holding company is Stor Entreprises Ltd, a company incorporated in Mauritius.

**19. COVID IMPACT ASSESSMENT**

The COVID-19 pandemic continues to pose a threat in Mauritius and to the business. The Company will continue to adopt all necessary measures to mitigate the downside financial risks caused by the pandemic. The Company will continue to follow the various government policies and advice whilst continuing to operate in the best and safest way possible. If the overall economy is impacted for an extended period, the Company's business and operations may be adversely affected.

**20. WAR IN UKRAINE**

On 24 February 2022, Russian troops started invading Ukraine. The war is increasingly affecting economic and global financial markets and exacerbating ongoing economic challenges, including issues such as rising inflation and global supply-chain disruption. Although it may be too early to assess the war's broad implications, the Company has not been impacted as it does not directly deal with Russia and Ukraine.

**21. EVENTS AFTER THE REPORTING PERIOD**

There are no events after the reporting period which may have a material impact on the financial statements for the year ended June 30, 2023.



**STOR SYSTEMS LTD****SCHEDULE TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME - YEAR ENDED JUNE 30, 2023****APPENDIX I****1. COST OF SALES**

	<b>2023</b>	<b>2022</b>
	<b>MUR</b>	<b>MUR</b>
Purchases	<b>103,159,522</b>	96,325,324
Overseas Travel	<b>1,156,850</b>	-
Clearing fees	<b>391,419</b>	713,136
Freight charges	<b>202,998</b>	30,330
Salaries	<b>140,000</b>	168,000
Duty	<b>73,630</b>	13,762
Taxi	<b>5,500</b>	-
	<b>105,129,919</b>	<b>97,250,552</b>

**2. OTHER OPERATING AND ADMINISTRATIVE EXPENSES**

	<b>2023</b>	<b>2022</b>
	<b>MUR</b>	<b>MUR</b>
Administrative salaries	<b>14,058,010</b>	11,044,630
Professional fees	<b>9,410,143</b>	5,141,124
IT expenses	<b>1,403,086</b>	509,799
Other staff costs	<b>1,283,569</b>	831,119
Director emoluments	<b>1,050,000</b>	275,000
Entertainment and donations	<b>321,150</b>	444,080
Bank charges	<b>285,943</b>	324,040
Rent	<b>154,000</b>	68,375
Utilities	<b>126,650</b>	135,648
Marketing	<b>115,726</b>	-
Motor vehicle running expenses	<b>110,093</b>	61,536
Printing and stationeries	<b>96,785</b>	51,488
Security and cleaning	<b>82,560</b>	3,100
Other expenses	<b>60,234</b>	176,374
Repairs and maintenance	<b>58,000</b>	261,670
Licences	<b>52,780</b>	146,483
Overseas travelling	<b>17,470</b>	631,951
Commission and discounts	-	239,800
Penalties and fines	-	250
	<b>28,686,199</b>	<b>20,346,467</b>