

RAMCO SYSTEM VIETNAM COMPANY LIMITED

(Incorporated in the Socialist Republic of Vietnam)

AUDITED FINANCIAL STATEMENTS

**For the period from 3 July 2017 (Date of Incorporation)
to 31 March 2018**

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STATEMENT OF THE GENERAL DIRECTOR

The General Director of Ramco System Vietnam Company Limited (the "Company") presents this report together with the Company's financial statements for the period from 3 July 2017 (date of incorporation) to 31 March 2018.

CHAIRMAN AND GENERAL DIRECTOR

Mr. Ramamurthy Ravikula Chandran is Chairman cum General Director of the Company who held office during the period from 3 July 2017 (date of incorporation) to 31 March 2018 and to the date of this report.

GENERAL DIRECTOR'S STATEMENT OF RESPONSIBILITY

The General Director of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 March 2018, and its financial performance and its cash flows for the period from 3 July 2017 (date of incorporation) to 31 March 2018 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, the General Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

The General Director is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The General Director is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The General Director confirms that the Company has complied with the above requirements in preparing these financial statements.



Ramamurthy Ravikula Chandran
General Director
4 May 2018

No.: 023 /VN1A-HC-BC

INDEPENDENT AUDITORS' REPORT

To: **Chairman and General Director of Ramco System Vietnam Company Limited**

We have audited the accompanying financial statements of Ramco System Vietnam Company Limited (the "Company"), prepared on 4 May 2018 as set out from page 3 to page 10 which comprise the balance sheet as at 31 March 2018, and the statement of income and statement of cash flows for the period from 3 July 2017 (date of incorporation) to 31 March 2018, and a summary of significant accounting policies and other explanatory information.

General Director's Responsibility for the Financial Statements

The General Director is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the General Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Director, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2018, and its financial performance and its cash flows for the period from 3 July 2017 (date of incorporation) to 31 March 2018 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.




Nguyen Minh Thao
Audit Partner
Audit Practising Registration Certificate
No. 1902-2018-001-1
**BRANCH OF DELOITTE VIETNAM
COMPANY LIMITED**
4 May 2018
Ho Chi Minh City, Vietnam

Nguyen Van Giap
Auditor
Audit Practising Registration Certificate
No. 3779-2016-001-1


BALANCE SHEET
 As at 31 March 2018

Unit: VND

ASSETS	Codes	Notes	Closing balance
A. CURRENT ASSETS	100		5,726,153,825
I. Cash	110	4	5,648,684,827
1. Cash	111		5,648,684,827
II. Short-term receivables	130		49,980,000
1. Other short-term receivables	136	5	49,980,000
III. Other short-term assets	150		27,488,998
1. Short-term prepayments	151		27,488,998
TOTAL ASSETS (270=100)	270		5,726,153,825
RESOURCES			
B. LIABILITIES	300		892,884,675
I. Current liabilities	310		892,884,675
1. Short-term accrued expenses	315	6	432,300,000
2. Other current payables	319	7	460,584,675
C. EQUITY	400		4,833,269,150
I. Owner's equity	410	8	4,833,269,150
1. Owner's contributed capital	411		5,625,000,000
2. Accumulated loss	421		(791,730,850)
- Accumulated loss of the current period	421b		(791,730,850)
TOTAL RESOURCES (440=300+400)	440		5,726,153,825


Anandaganesh T S
 Accountant in charge




Ramamurthy Ravikula Chandran
 General Director
 4 May 2018

INCOME STATEMENT

*For the period from 3 July 2017 (date of incorporation)
to 31 March 2018*


Unit: VND

ITEMS	Codes	Notes	From 3 July 2017 to 31 March 2018
1. Financial income	21		44,911,559
2. General and administration expenses	26	10	836,642,409
3. Operating loss (30=21-26)	30		(791,730,850)
4. Accounting loss before tax (50=30)	50		(791,730,850)
5. Current corporate income tax expense	51	11	-
6. Net loss after corporation income tax (60=50-51)	60		(791,730,850)



Anandaganesh T S
Accountant in charge

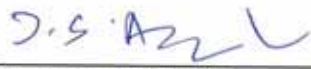



Ramamurthy Ravikula Chandran
General Director
4 May 2018


CASH FLOW STATEMENT
 For the period from 3 July 2017 (date of incorporation)
 to 31 March 2018

Unit: VND

ITEMS	Codes	From 3 July 2017 to 31 March 2018
I. CASH FLOWS FROM OPERATING ACTIVITIES		
1. Loss before tax	01	(791,730,850)
2. Adjustments for:		
Foreign exchange gain from translating foreign currency items	04	(44,762,134)
Gain from investing activities	05	(149,425)
3. Operating loss before movements in working capital	08	(836,642,409)
Change in receivables	09	(49,980,000)
Change in payables	11	886,398,409
Change in prepaid expenses	12	(27,488,998)
Net cash used in operating activities	20	(27,712,998)
II. CASH FLOWS FROM INVESTING ACTIVITIES		
1. Interest earned	27	149,425
Net cash generated by investing activities	30	149,425
III. CASH FLOWS FROM FINANCING ACTIVITIES		
1. Proceeds from owner's contributed capital	31	5,625,000,000
Net cash generated by financing activities	40	5,625,000,000
Net increase in cash (50=20+30+40)	50	5,597,436,427
Cash at the beginning of the period	60	-
Effects of changes in foreign exchange rates	61	51,248,400
Cash at the end of the period (70=50+60+61)	70	5,648,684,827


Anandaganesh T S
 Accountant in charge




Ramamurthy Ravikula Chandran
 General Director
 4 May 2018

NOTES TO THE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

1. GENERAL INFORMATION

Structure of ownership

Ramco System Vietnam Company Limited was incorporated in Vietnam as a one member limited liability company for 50 years, under Investment Registration Certificate No. 2108560157 dated 1 June 2017 issued by Department of Planning and Investment of Ho Chi Minh City.

The owner of the Company is Ramco Systems Limited, a company incorporated in India.

The number of the Company's employees as at 31 March 2018 was 1.

Operating industry and principal activities

Operating industry and principal activities of the Company are software production; computer programming; consultancy and computer system management, IT service and other services related to computer, data processing, renting database and other related activities.

Normal operation and business cycle

The Company's normal operation and business cycle is carried out for a time period of 12 months or less.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention

The accompanying financial statements, expressed in Vietnam Dong ("VND"), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Accounting period

The Company's financial year begins on 1 April and ends on 31 March. The Company's first accounting period begins from 3 July 2017 (date of incorporation) to 31 March 2018.

Disclosure of information comparability in the financial statements

The financial statements for current period cover the inception of the Company from 3 July 2017 (date of incorporation) to 31 March 2018. This is the first set of financial statements; hence, no comparative figures.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these financial statements, are as follows:

Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the General Director to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the accounting period. Although these accounting estimates are based on the General Director's best knowledge, actual results may differ from those estimates.

Cash

Cash comprise bank demand deposits.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of under an accounting period, including office rental prepayments. These expenditures have been capitalised as prepayments, and are allocated to the income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Payable provisions

Payable provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation as at the balance sheet date

Leasing

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease.

Revenue recognition

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the income statement.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realized. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable and deferred tax is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

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4. CASH

	Closing balance VND
Bank demand deposits	5,648,684,827
	<u>5,648,684,827</u>

5. OTHER SHORT-TERM RECEIVABLE

Other short-term receivables represent short-term deposits for office leases.

6. SHORT-TERM ACCRUED EXPENSES

	Closing balance VND
Audit fee	90,000,000
Consultancy fee	342,300,000
	<u>432,300,000</u>

7. OTHER SHORT-TERM PAYABLE

	Closing balance VND
Other current payable from related party (Note 13)	460,584,675
	<u>460,584,675</u>

8. OWNER'S EQUITY

Movement in owner's equity

	Owner's contributed capital VND	Accumulated losses VND	Total VND
Current period's opening balance	-	-	-
Capital contribution	5,625,000,000	-	5,625,000,000
Loss for the period	-	(791,730,850)	(791,730,850)
Current period's closing balance	<u>5,625,000,000</u>	<u>(791,730,850)</u>	<u>4,833,269,150</u>

Charter capital and investment capital

According to the Company's Investment Certificate, the Company's investment capital and charter capital is USD 250,000. The Company's charter capital had been fully contributed by Ramco Systems Limited as at 31 March 2018, as follows:

	Per Investment Certificate		Contributed capital Closing balance	
	USD	%	USD	VND equivalent
Ramco Systems Limited	250,000	100%	250,000	5,625,000,000
	<u>250,000</u>	<u>100%</u>	<u>250,000</u>	<u>5,625,000,000</u>

9. OFF BALANCE SHEET ITEM

	Closing balance
Foreign currency	
- United States Dollar ("USD")	199,992
	<u>199,992</u>



10. GENERAL AND ADMINISTRATION EXPENSE

From 3 July 2017
to 31 March 2018
VND

Out-sourced services	836,418,409
Others	224,000
	<u>836,642,409</u>

11. CURRENT CORPORATE INCOME TAX EXPENSE

From 3 July 2017
to 31 March 2018
VND

Loss before tax	(791,730,850)
<i>Add back: non-deductible expenses</i>	<i>238,440,600</i>
<i>Less: non-assessable income</i>	<i>(51,248,400)</i>
Taxable loss	(604,538,650)
Tax rate	20%
Current corporate income tax expense	-

The Company is obliged to pay corporate income tax at the rate of 20% of its taxable profit.

No income tax has been provided for during the period as the Company has no taxable profit.

As at 31 March 2018, the Company has unused tax losses of VND 604,538,650 available for offset against future taxable profits. No deferred tax asset was recognized on these losses due to unpredictability of future profit stream. These losses can be carried forward for a maximum period of five years from the year it is incurred and will expire in 2023.

12. OPERATING LEASE COMMITMENT

From 3 July 2017
to 31 March 2018
VND

Minimum lease payments under operating leases recognized in the income statement for the period	<u>409,116,409</u>
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At the balance sheet date, the Company had outstanding commitments under operating leases, which fall due as follows:

	Closing balance VND
Within one year	<u>224,909,982</u>
	<u>224,909,982</u>

Operating lease payment represents rental payable by the Company for renting its office with monthly rental fee of VND 24,989,998. The lease will expire on 31 December 2018.

13. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties

Related party

Relationship

Ramco Systems Limited	Owner
Ramco Systems Pte. Ltd. (Singapore)	Company in Group



During the period, the Company entered into the following significant transactions with its related parties:

From 3 July 2017
to 31 March 2018
VND

Paid on behalf of Ramco System Vietnam Company Ltd.
Ramco Systems Pte. Ltd. (Singapore) 460,584,675

Capital contributed
Ramco Systems Limited 5,625,000,000

The related parties' balances at the balance sheet date were as follows:


Closing balance
VND

Other payables
Ramco Systems Pte. Ltd. (Singapore) 460,584,675



Anandaganesh T S
Accountant in charge




Ramamurthy Ravikula Chandran
General Director
4 May 2018

