

Report of the statutory auditors
with financial statements as of 31st March 2020

Ramco Systems Ltd.
Dorfplatz 3
4418 Reigoldswil

Report of the statutory auditor on the limited statutory examination to the general meeting of Ramco Systems Ltd., Reigoldswil

As statutory auditor, we have examined the financial statements (balance sheet, income statement and notes) of Ramco Systems Ltd. for the year ended 31st March 2020.

These financial statements are the responsibility of the board of directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

Liestal, 21st April 2020

The statutory auditors:

Duttweiler & Partner
Wirtschaftsprüfung AG, Liestal



Patrick Salathe
zugelassener Revisor /
Swiss Certified Auditor
(Auditor in charge)



Nicole Ziegler
zugelassene Revisionsexpertin /
Swiss Certified Audit Expert

Enclosures

- Financial statements (balance sheet, income statement and notes)

BALANCE SHEET AS OF MARCH 31, 2020

ASSETS	31.03.2020 CHF	31.03.2019 CHF
	_____	_____
<u>Current assets</u>		
Cash and cash equivalents	115'992	48'361
Trade accounts receivable	38'951	7'903
Trade accounts receivable - shareholder/intercompany (incl. advances)	310'384	324'505
Loans - shareholder/intercompany	2'358'716	2'138'254
Other current receivables	408	1'377
Non-invoiced services	27'362	54'964
Prepaid expenses and accrued income	2'926	9'264
Total current assets	2'854'738	2'584'629
	_____	_____
TOTAL ASSETS	2'854'738	2'584'629
	=====	=====
 LIABILITIES AND SHAREHOLDERS' EQUITY		
<u>Short-term liabilities</u>		
Trade accounts payable	1'484	639
Trade accounts payable - shareholder/intercompany	58'143	51'496
Deferred income and accrued expenses	173'070	142'972
Total short-term liabilities	232'697	195'106
 <u>Shareholders' equity</u>		
Share capital	1'400'000	1'400'000
Legal capital reserves	1'493'043	1'493'043
Accumulated losses	-503'521	-570'498
Annual profit	232'519	66'977
Total shareholders' equity	2'622'042	2'389'523
	_____	_____
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2'854'738	2'584'629
	=====	=====

PROFIT AND LOSS ACCOUNT 2019 / 2020

	2019 / 2020 CHF		2018 / 2019 CHF	
Revenue from sales, services and licences	957'132	103.0%	529'632	128.1%
Net proceeds from sales of goods and services	957'132	103.0%	529'632	128.1%
Other income	0	0.0%	41	0.0%
Changes in non-invoiced services	-27'602	-3.0%	-116'367	-28.2%
Total operating income	929'530	100.0%	413'306	100.0%
Costs of goods sold	276'915	29.8%	186'838	45.2%
Royalties for licenses and services	200'203	21.5%	91'126	22.0%
Cost of goods sold and royalties	477'118	51.3%	277'964	67.3%
Salaries and related costs	119'995	12.9%	40'786	9.9%
Personnel expenses	119'995	12.9%	40'786	9.9%
Administrative costs	90'501	9.7%	41'386	10.0%
Selling and advertising expenses	21'968	2.4%	1'967	0.5%
Rent, leasing and office maintenance	7'200	0.8%	6'496	1.6%
Insurance and fees	18'152	2.0%	29'375	7.1%
Other operating expenses	137'820	14.8%	79'225	19.2%
Depreciation and amortization	0	0.0%	606	0.1%
Depreciation and adjustments on fixed asset items	0	0.0%	606	0.1%
Operating result	194'597	20.9%	14'724	3.6%
Other financial charges	-1'479	-0.2%	-1'410	-0.3%
Exchange rates gains/losses	-38'736	-4.2%	-33'543	-8.1%
Financial income - intercompany	109'355	11.8%	96'827	23.4%
Financial costs and financial income	69'140	7.4%	61'874	15.0%
Annual profit before taxes	263'737	28.4%	76'599	18.5%
Direct taxes	-31'218	-3.4%	-9'622	-2.3%
Annual profit	232'519	25.0%	66'977	16.21%

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2020

1. Principles

General aspects

These financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

Non-invoiced services

Non-invoiced services are accounted for according to the POC (percentage of completion) method.

2. Information on balance sheet and income statement items

	31.03.2020 CHF	31.03.2019 CHF
	_____	_____
Details of tangible fixed assets		
Furniture and fittings	8'550	8'550
EDP-hardware/software and office machines	15'100	15'100
Depreciation reserve - furniture and fittings	-8'550	-8'550
Depreciation reserve - EDP-hardware/software and office machines	-15'100	-15'100
Total tangible fixed assets	0	0

3. Other Information

Business name, legal form and registered office

Ramco Systems Ltd., Dorfplatz 1, 4418 Reigoldswil / limited company

Full-time positions on annual average

The annual average number of full-time positions for the reporting year, as well as the previous year, did not exceed 10.

Name of the statutory auditors

Duttweiler & Partner Wirtschaftsprüfung AG, Arisdörferstrasse 2, 4410 Liestal

4. Proposal of the board of directors for appropriation of available earnings

	31.03.2020 CHF	31.03.2019 CHF
	_____	_____
Balance brought forward	-503'521	-570'498
Annual profit	232'519	66'977
At the disposal of the general meeting of shareholders	-271'002	-503'521
Balance to be carried forward	-271'002	-503'521