

**RAMCO SYSTEMS (SHANGHAI) CO., LTD.**  
**FOR THE YEAR ENDED 31 MARCH 2024**  
**FINANCIAL STATEMENTS AND AUDITORS' REPORT**

[English translation for reference only. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.]

Shanghai Spire CPA'S

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**上海威证盛会计师事务所有限公司**  
Shanghai Spire Certified Public Accountants Co., Ltd.

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## AUDITORS' REPORT

HWK[2024] No.NS0156-1

**TO THE SHAREHOLDER OF  
RAMCO SYSTEMS (SHANGHAI) CO., LTD.**

### **I. Audit Opinion**

We have audited the financial statements of Ramco Systems (Shanghai) Co., Ltd. (hereinafter referred to as the Company), which comprise the balance sheet as at 31 March 2024, the income statement, cash flow statement and statement of changes in owner's equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Accounting Standards for Small-sized Business so as to give a true and fair view of, in all material respects, the financial position of the Company as at 31 March 2024 and of the financial performance and cash flows of the Company for the year ended on that date.

### **II. Basis of Audit Opinion**

We conducted our audit in accordance with China Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the CICPA's Code of Ethics for Professional Accountants and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **III. Material Uncertainty Related to Going Concern**

We draw attention to Note 2 in the financial statements, which indicates that the Company incurred a net loss of RMB 15,029,291 during the year ended 31 March 2024 and, as of that date, the Company's total liabilities exceeded its total assets by RMB 17,274,035. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **IV. Responsibilities of Management and Directors for the Financial Statements**

Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of Accounting Standards for Small-sized Business, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

## V. Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level guarantee, but is not a guarantee that an audit conducted in accordance with Auditing Standards will always detect a material misstatement when it exists. Misstatement 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 Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

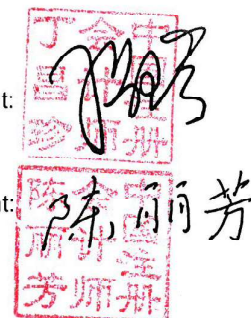
1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of the Company.
4. Conclude on the appropriateness of management's 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. 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.

We communicate with the management 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.



Certified Public Accountant:

13 May 2024



# BALANCE SHEET

[English Translation for Reference only]

Client: Ramco Systems (Shanghai) Co., Ltd.

Currency: Renminbi

Items	Notes	2024.3.31	2023.3.31
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	6.1	489,601	381,225
Accounts receivable	6.2	1,038,775	6,306,705
Advance to suppliers	6.3	26,918	311,661
Other current assets	6.4	211,177	159,894
<b>TOTAL CURRENT ASSETS</b>		<b>1,766,471</b>	<b>7,159,485</b>
<b>NON-CURRENT ASSETS:</b>			
Right-of-use asset	6.5	-	181,624
Other non-current assets		-	32,603
<b>TOTAL NON-CURRENT ASSETS</b>		<b>-</b>	<b>214,227</b>
<b>TOTAL ASSETS</b>		<b>1,766,471</b>	<b>7,373,712</b>
<b>CURRENT LIABILITIES:</b>			
Accounts payable	6.7	5,511,520	4,628,172
Advance from customers	6.8	4,128,130	4,093,561
Salaries and welfare payable	6.9	17,739	47,623
Taxes payable	6.10	564,345	483,308
Other payables	6.11	8,505,672	184,855
Other current liabilities	6.12	313,100	-
Leased liabilities	6.13	-	119,549
<b>TOTAL CURRENT LIABILITIES</b>		<b>19,040,506</b>	<b>9,557,068</b>
<b>NON-CURRENT LIABILITIES:</b>			
Leased liabilities	6.13	-	61,388
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>61,388</b>
<b>TOTAL LIABILITIES</b>		<b>19,040,506</b>	<b>9,618,456</b>
<b>OWNER'S EQUITY:</b>			
Paid-in capital	6.14	1,000,000	1,000,000
Surplus reserves	6.15	109,441	109,441
Retained earnings	6.16	-18,383,476	-3,354,185
<b>TOTAL OWNER'S EQUITY</b>		<b>-17,274,035</b>	<b>-2,244,744</b>
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>		<b>1,766,471</b>	<b>7,373,712</b>

Legal representative:

RAMAMURTHY.RAVI KULA CHANDRAN

Person in charge of accounting:

Ananda Ganesh T S

Head of Finance Department

Ananda Ganesh T S

# INCOME STATEMENT

[English Translation for Reference only]

Client: Ramco Systems (Shanghai) Co., Ltd.

Currency: Renminbi

Items	Notes	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
<b>Total revenue</b>	6.17	<b>2,669,302</b>	<b>3,029,691</b>
<b>Total cost of sales</b>		<b>4,425,960</b>	<b>4,078,892</b>
Less: Cost of sales	6.18	-1,136,310	-1,461,971
Tax and surcharges	6.19	55,216	166,730
Selling expenses	6.20	539,864	608,979
General and administrative expenses	6.21	4,788,193	4,460,721
Financial expenses	6.22	178,997	304,433
Including: Interest expenses		6,398	7,089
<b>PROFIT FROM OPERATIONS ("-" FOR LOSSES)</b>		<b>-1,756,658</b>	<b>-1,049,201</b>
Add: Non-operating income	6.23	8,412	89,786
Less: Non-operating expenses	6.24	13,281,045	58,803
<b>PROFIT BEFORE TAX ("-" FOR LOSSES)</b>		<b>-15,029,291</b>	<b>-1,018,218</b>
Less: Income tax expenses		-	-
<b>NET PROFIT FOR THE YEAR ("-" FOR LOSSES)</b>		<b>-15,029,291</b>	<b>-1,018,218</b>

Legal representative:

RAMAMURTHY.RAVI KULA CHANDRAN

Person in charge of accounting:

Ananda Ganesh T S

Head of Finance Department:

Ananda Ganesh T S

# CASH FLOW STATEMENT

[English Translation for Reference only]

Client: Ramco Systems (Shanghai) Co., Ltd.

Currency: Renminbi

Items	Notes	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
<b>1.Cash Flows from Operating Activities:</b>			
Cash received from sales of goods or rendering of services		6,177,324	6,860,369
Cash received from tax rebate		924	991
Other cash received relating to operating activities		22,870	70,888
Cash paid for goods and services		888,266	1,025,246
Cash paid to and on behalf of employees		2,890,458	3,114,853
Tax payments		798,000	206,333
Other cash paid relating to operating activities		1,421,518	2,167,723
<b>Net Cash Flows from / (used in) Operating Activities</b>		<b>202,876</b>	<b>418,093</b>
<b>2.Cash Flows from Financing Activities:</b>			
Other cash payments relating to financing activities		94,500	126,000
<b>Net Cash Flows from / (used in) Financing Activities</b>		<b>-94,500</b>	<b>-126,000</b>
<b>3.Net Increase / (Decrease) in Cash and Cash Equivalents</b>			
Add: Cash and cash equivalents at the beginning of the year		381,225	89,132
<b>4.Cash and cash equivalents at the end of the year</b>			
		<b>489,601</b>	<b>381,225</b>

Legal representative:

RAMAMURTHY.RAVI KULA CHANDRAN

Person in charge of accounting:

Ananda Ganesh T S

Head of Finance Department:

Ananda Ganesh T S

## STATEMENT OF CHANGES IN OWNER'S EQUITY

[English Translation for Reference only]  
Currency: Renminbi

Client: Ramco Systems (Shanghai) Co., Ltd.

Items	Notes	For the year ended 31 Mar 2024				For the year ended 31 Mar 2023			
		Paid-in capital	Surplus reserves	Retained earnings	Total owner's equity	Paid-in capital	Surplus reserves	Retained earnings	Total owner's equity
Column Number		1	2	3	4	5	6	7	8
<b>1. Balance at last year end</b>		1,000,000	109,441	-3,354,185	-2,244,744	1,000,000	109,441	-2,335,967	-1,226,526
<b>2. Balance at the beginning of the year</b>		1,000,000	109,441	-3,354,185	-2,244,744	1,000,000	109,441	-2,335,967	-1,226,526
<b>3. Movement over the year</b>		-	-	-15,029,291	-15,029,291	-	-	-1,018,218	-1,018,218
3.1. Net loss for the year		-	-	-15,029,291	-15,029,291	-	-	-1,018,218	-1,018,218
<b>4. Balance at the end of the year</b>		1,000,000	109,441	-18,383,476	-17,274,035	1,000,000	109,441	-3,354,185	-2,244,744

Legal representative: RAMAMURTHY.RAVI KULA CHANDRAN

Person in charge of accounting: Ananda Ganesh T S

Head of Finance Department: Ananda Ganesh T S



## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. COMPANY BACKGROUND**

Ramco Systems (Shanghai) Co., Ltd. (herein refer to the "Company") is a wholly foreign owned enterprise incorporated in Shanghai of the PRC on 3rd November 2016 and approved by Shanghai Administration of Industry and Commerce. The Company obtained its business certificate [No.91310115MA1K3J6B33]. The Company's registered capital was USD 8,000,000, and the paid-in capital was CNY 1,000,000. The legal representative is RAMAMURTHY. RAVI KULA CHANDRAN and registered address is Room 214, Building 4, No. 110-120, Guangling 4th Road, Hongkou District, Shanghai.

The Company's business scope is computer software development, design, production, sales of own products (except for audio and video products, electronic publications) and provide technical consulting and service. (The above scopes involve the administration and operation according to the permission).

### **2. BASIS OF PREPARATION**

The Company incurred a loss of RMB 15,029,291 in For the year ended 31 Mar 2024 and the Company's total liabilities exceed its total assets by RMB 17,274,035 as of 31 March 2024. The financial statements have been prepared on a going concern basis that the Company's investors and creditors will continue to provide adequate financial support to the Company to meet its financial obligations in the foreseeable future. If such uncertainty does not hold, the Company shall provide for all possible foreseeable losses arising from its liabilities and impairment on all its assets to their net realisable values.

### **3. STATEMENT OF COMPLIANCE WITH THE ACCOUNTING STANDARDS FOR SMALL-SIZED BUSINESS**

The financial statements of the Company for the year ended 31 March 2024 are in compliance with the Accounting Standards for Small-sized Business, and truly and completely present the financial position as of 31 March 2024 and the operating results, cash flows and other information for the year then ended of the Company.

### **4. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**

#### **4.1 Accounting year**

The Company adopts the calendar year as its accounting year, i.e. from 1 April to 31 March.

#### **4.2 Recording currency**

The recording currency and reporting currency of the Company is Renminbi .

#### **4.3 Cash and cash equivalents**

Cash comprises cash on hand and deposits that can be readily drawn on demand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### **4.4 Foreign currency translation**

Foreign currency transactions are translated into RMB using the exchange rates prevailing on the date of transaction in which the transactions took place.

At the balance sheet date, monetary items denominated in foreign currencies are translated into RMB using the spot exchange rates on the balance sheet date. Exchange differences arising from these translations are recognised in profit or loss for the current period, except for those attributable to foreign currency borrowings that have been taken out specifically for the acquisition or construction of qualifying assets, which are capitalised as part of the cost of those assets. Non-monetary items denominated in foreign currencies that are measured at historical costs are translated at the balance sheet date using the spot exchange rates at the date of the transactions. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

#### 4.5 Receivables

Receivables include notes receivable, accounts receivables and other receivables.

Criteria for recognition of bad debts:

- i. Debtor declares bankruptcy, closure, dissolution, revocation, or its business license is cancelled or revoked in accordance with the law, and the liquidated property is insufficient for repayment.
- ii. Debtor is dead, or is legally declared missing or dead, property or inheritance is not sufficient for repayment.
- iii. Debtor more than three years overdue outstanding, and there is conclusive evidence that has become insolvent.
- iv. After the debt restructuring agreement with the debtor or court approval of the bankruptcy reorganization plan, the debt remains unrecoverable.
- v. As a result of force majeure, such as natural disasters, war, debt will not be repaid;
- vi. Other conditions stipulated by the financial and tax departments under the state council.

The receivables that are truly unrecoverable shall, upon approval, be regarded as bad debt losses, and shall be recorded into non-operating expenses when they actually occur, and the receivables shall be written down at the same time.

#### 4.6 Employee benefits

Employee benefits mainly include wages or salaries, bonuses, allowances and subsidies, staff welfare, social security contributions, housing funds, labour union funds, employee education funds and other expenditures incurred in exchange for service rendered by employees.

Employee benefits are recognised as salaries and wages payable in the accounting period in which an employee has rendered service, as costs of assets or expenses to whichever the employee service is attributable.

#### 4.7 Revenue recognition

##### (1) Revenue from the sales of goods and rendering of services

If the contract or agreement signed between the Company and other enterprises includes the sale of goods and rendering of services, and the sale of goods and rendering of services can be distinguished and measured separately, they shall be treated separately according to classification. Where the part of the sale of goods and rendering of services cannot be distinguished, or can be distinguished but cannot be measured separately, it shall be treated as sale of goods.

The Company derives revenues from software solutions & services. Revenues are derived from the following streams:

- (i) Revenue from software products, in the form of (a) software licensing (b) subscription for software as a service (c) product support services and (d) application maintenance services;
- (ii) Revenue from software services, in the form of (a) implementation / professional services (b) managed Services;
- (iii) Revenue from resale of hardware & Software.

Revenue is recognised in the profit and loss account upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those services or products and excluding taxes or duties. To recognise revenues, the company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Company allocates the contract value to separately identifiable performance obligations based on their relative stand-alone selling price (mostly as reflected in the contracts) or residual method. Standalone selling prices are determined based on sale prices for the components when it is regularly sold separately. In cases where the Company is unable to determine the stand-alone selling price, the Company uses expected cost-plus margin approach in estimating the stand-alone selling price.

For performance obligations where control is transferred over time, revenues are recognised by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognising revenues depends on the nature of the products sold / services rendered:

(i) Revenue from Software Products

(a) Software Licensing

Software licensing revenues represent all fees earned from granting customers licenses to use the Company's software, through initial licensing and or through the purchase of additional modules or user rights. For software license arrangements that do not require significant modification or customisation of the underlying software, revenue is recognised on delivery of the software and when the customer obtains a right to use such licenses.

(b) Subscription for Software as a Service

Subscription fees for offering the hosted software as a service are recognised as revenue ratably on straight line basis, over the term of the subscription arrangement.

(c) Product Support Services

Fees for product support services, covering inter alia improvement and upgradation of the basic Software, whether sold separately (e.g., renewal period AMC) or as an element of a multiple-element arrangement, are recognised as revenue ratably on straight line basis, over the term of the support arrangement.

(d) Application Maintenance Services

Fees for the application maintenance services, covering inter alia the support of the customised software, are recognised as revenue ratably on straight line basis, over the term of the support arrangement.

(ii) Revenue from Software Services

(a) Implementation / Professional Services

Software Implementation / Professional Services contracts are either fixed price or time and material based.

Revenues from fixed price contracts, where the performance obligations are satisfied over time, are recognised using the "percentage of completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Where the Software is required to be substantially customised as part of the implementation service, the entire fee for licensing and implementation services is considered to be a single performance obligation and the revenue is recognised using the percentage of completion method as the implementation services are performed.

Revenues from implementation services in respect of hosting contracts are to be recognised as revenue ratably over the longer of the contract term or the estimated expected life of the customer relationship. However, considering the existence of partners being available for rendering such implementation services, these services are considered to be a separate element and recognised in accordance with percentage of completion method.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as a contract provision.

In the case of time and material contracts, revenue is recognised based on billable time spent in the project, priced at the contractual rate.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively as a separate contract if the additional services are priced at the standalone selling price.

Non-refundable one-time upfront fees for enablement / application installation, consisting of standardisation set-up, initiation or activation or user login creation services in the case of hosting contracts, are recognised in accordance with percentage of completion method once the customer obtains a right to access and use the Software.

(b) Managed Services

Fees for managed services, which include business processing services, are recognised as revenue as the related services are performed.

(iii) Revenue from Resale of Hardware & Software

Revenue from sale of traded hardware / software is recognised on transfer of significant risks, rewards and control to the customer.

#### 4.8 Leases

According to the notice of the Ministry of Finance on Revising and Issuing the Accounting Standards for Business Enterprises No. 21 —Leases, enterprises that are concurrently listed both at home and abroad, as well as enterprises listed overseas and preparing financial statements according to the International Financial Reporting Standards or the Accounting Standards for Business Enterprises shall apply these Standards from 1 January 2019. Enterprises whose parent companies or subsidiaries are listed overseas and that prepare overseas financial statements according to the International Financial Reporting Standards or the Accounting Standards for Business Enterprises may implement these Standards in advance.

##### (1) Definition of lease

Lease means the contract by which the lessor transfers the right to use the assets to the lessee for a given period to obtain the consideration. On the commencement of the contract, the Company will assess whether the contract is a lease or contains the lease. If a party to the contract conveys the right to control the use of one or more identified assets for a given period to obtain a consideration, this contract is a lease or contains the lease.

##### (2) The Company as a lessee

The Company recognizes the lease liabilities for the lease other than short-term lease and low-value asset lease on the commencement of the lease term. Lease liabilities shall be initially measured at the present value of the unpaid lease payments.

- Fixed payment (including actual fixed payment), and if there are lease incentives, the relevant amount of lease incentives shall be deducted;
- Variable lease payment depending on the index or ratio;
- Predicted payment on the basis of the guaranteed residual value provided by the Company;
- Exercise price of the call option, provided that the Company will exercise such option, as reasonably determined;
- Payment for exercise of the lease termination option, provided that the lease term reflects the Company's future exercise of the lease termination option.

The interest rate implicit in lease is applied by the Company as the discount rate. If the interest rate implicit in lease cannot be reasonably determined, the Company's interest rate on incremental borrowings is applied as the discount rate.

The Company shall calculate the interest expense of the lease liabilities during each period of the lease term at a fixed periodic interest rate and include it in the current profit or loss.

##### Short-term lease

Short-term lease means the lease of no more than 12 months and excluding the call option on the commencement of the lease term. The Company records relevant lease payment of short-term lease into the current profit or loss or relevant asset cost according to the straight-line method in each period of the lease term.

##### Low-value asset lease

Low-value asset lease means a lease of value under ¥40,000 when the single leased asset is brand-new.

The Company records relevant lease payment of low-value asset lease into the current profit or loss or relevant asset cost according to the straight-line method in each period of the lease term.

#### 4.9 Right-of-use Assets

The Company recognizes the right-to-use assets for the lease other than short-term lease and low-value asset lease on the commencement of the lease term. The right-to-use assets are initially measured at cost which includes:

- Initial measurement amount of lease liabilities;
- The lease payment paid on or before the commencement of the lease term; if there are lease incentives, the relevant amount of lease incentives enjoyed shall be deducted;
- Initial direct cost incurred by the Company;
- The estimated costs incurred by the Company for dismantling and removing the leased asset, restoring the site where the leased asset is located or restoring the leased asset to the state agreed in the lease terms, but excluding the cost incurred to produce the inventory.

The Company will depreciate the right-to-use assets through the straight-line method. If it can be reasonably recognized that the title of the leased asset is acquired at the expiration of the lease term, the Company shall accrue depreciation within the remaining service life of the leased asset; or otherwise, the leased asset shall be depreciated within the shorter of the lease term and the remaining service life of the leased asset.

## 5. TAXATION

### 5.1 Main taxes and rates

Category of Taxes	Bases of Taxes	Tax Rates
Value Added Tax	Taxable revenue	6%
Enterprise Income Tax	Taxable profit	25%

## 6. DETAILED NOTES ON MAIN FINANCIAL STATEMENTS ITEMS

### 6.1 Cash and bank

Items	2024.3.31	2023.3.31
Cash in Bank	489,601	381,225
<b>Total</b>	<b>489,601</b>	<b>381,225</b>

### 6.2 Accounts receivable

#### (1) Aging analysis

Age	2024.3.31		2023.3.31	
	Amount	Percentage	Amount	Percentage
Within 1 year	966,820	83%	2,714,269	42%
over 1 year	36,606	3%	2,294,107	36%
2~3 years	9,392	1%	1,382,582	22%
Over 3 years	156,918	13%	26,968	0%
Subtotal	1,169,736	100%	6,417,926	100%
Less:	-130,961		-111,221	
<b>Total</b>	<b>1,038,775</b>	<b>100%</b>	<b>6,306,705</b>	<b>100%</b>

#### (2) The most important companies of the final balance are listed below:

Corporate name	2024.3.31
Ramco System Inc, Philippines	497,499
Boeing (Zhoushan) Completion Center Limited Company	381,961
Continental Investment (China) Co., Ltd.	142,553

### 6.3 Advance to suppliers

#### (1) Aging analysis

Age	2024.3.31		2023.3.31	
	Amount	Percentage	Amount	Percentage
Within 1 year	26,918	100%	311,661	100%
<b>Total</b>	<b>26,918</b>	<b>100%</b>	<b>311,661</b>	<b>100%</b>

#### (2) The most important companies of the final balance are listed below:

Corporate name	2024.3.31
Deferred expenses - Insurance	26,918

### 6.4 Other current assets

Items	2024.3.31	2023.3.31
VAT - Net	211,177	159,894
<b>Total</b>	<b>211,177</b>	<b>159,894</b>

6.5 Right-of-use asset

(1) Cost

Category	2023.3.31	Additions	Decreases	2024.3.31
Leased asset-Office	237,608	-	237,608	-
<b>Total</b>	<b>237,608</b>	<b>-</b>	<b>237,608</b>	<b>-</b>

(2) Accumulated depreciation

Category	2023.3.31	Additions	Decreases	2024.3.31
Leased asset-Office	55,984	92,511	148,495	-
<b>Total</b>	<b>55,984</b>	<b>92,511</b>	<b>148,495</b>	<b>-</b>

(3) Net carrying value

Category	2023.3.31	2024.3.31
Leased asset-Office	181,624	-
<b>Total</b>	<b>181,624</b>	<b>-</b>

6.6 Other non-current assets

Items	2024.3.31	2023.3.31
Deposit	-	32,603
<b>Total</b>	<b>-</b>	<b>32,603</b>

6.7 Accounts payable

(1) Aging analysis

Age	2024.3.31		2023.3.31	
	Amount	Percentage	Amount	Percentage
Within 1 year	1,352,572	24%	1,203,051	26%
1~2 years	733,827	13%	1,080,965	23%
2~3 years	1,080,965	20%	1,797,377	39%
Over 3 years	2,344,156	43%	546,779	12%
<b>Total</b>	<b>5,511,520</b>	<b>100%</b>	<b>4,628,172</b>	<b>100%</b>

(2) The most important companies of the final balance are listed below:

Corporate name	2024.3.31
Ramco Systems Pte Ltd., Singapore	2,342,327
Ramco Systems Pte Ltd., Hongkong	1,750,099
Ramco Systems Sdn. Bhd., Malaysia	854,195
Ramco Systems Limited, India	564,899

6.8 Advance from customers

(1) Aging analysis

Age	2024.3.31		2023.3.31	
	Amount	Percentage	Amount	Percentage
Within 1 year	1,390,000	34%	3,030,000	74%
1~2 years	2,738,130	66%	1,063,561	26%
<b>Total</b>	<b>4,128,130</b>	<b>100%</b>	<b>4,093,561</b>	<b>100%</b>

(2) The most important companies of the final balance are listed below:

Corporate name	2024.3.31
Ramco Systems Pte Ltd., Singapore	4,128,130

6.9 Salaries and employee benefits payable

Items	2024.3.31	2023.3.31
Payroll	-	15,086
Social security	14,050	29,510
Housing fund	3,689	3,027
<b>Total</b>	<b>17,739</b>	<b>47,623</b>

6.10 Taxes payable

Items	2024.3.31	2023.3.31
Individual income tax	6,175	2,134
Withholding tax-Enterprise income tax	558,170	481,174
<b>Total</b>	<b>564,345</b>	<b>483,308</b>

6.11 Other payables

(1) Aging analysis

Age	2024.3.31		2023.3.31	
	Amount	Percentage	Amount	Percentage
Within 1 year	8,505,672	100%	184,855	100%
<b>Total</b>	<b>8,505,672</b>	<b>100%</b>	<b>184,855</b>	<b>100%</b>

(2) The most important companies of the final balance are listed below:

Corporate name	2024.3.31
HAECO Group	8,104,050

6.12 Other current liabilities

Items	2024.3.31	2023.3.31
Unearned revenue	313,100	-
<b>Total</b>	<b>313,100</b>	<b>-</b>

6.13 Leased liabilities

Items	2024.3.31	2023.3.31
Leased liabilities - Current part	-	119,549
Leased liabilities - Non-Current part	-	61,388
<b>Total</b>	<b>-</b>	<b>180,937</b>

6.14 Paid-in capital

Name	2024.3.31		2023.3.31	
	Percentage	RMB	Percentage	RMB
Ramco Systems Limited	100%	1,000,000	100%	1,000,000
<b>Total</b>	<b>100%</b>	<b>1,000,000</b>	<b>100%</b>	<b>1,000,000</b>

6.15 Surplus reserves

Items	2023.3.31	Additions	Decreases	2024.3.31
Statutory reserve fund	109,441	-	-	109,441
<b>Total</b>	<b>109,441</b>	<b>-</b>	<b>-</b>	<b>109,441</b>

6.16 Retained earnings

Items	2024.3.31	2023.3.31
Opening balance	-3,354,185	-2,335,967
Add: Net profit / (loss) for the year	-15,029,291	-1,018,218
<b>Closing balance</b>	<b>-18,383,476</b>	<b>-3,354,185</b>

6.17 Revenues

Items	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Software products	710,460	619,007
Software service	1,958,842	2,410,684
<b>Total</b>	<b>2,669,302</b>	<b>3,029,691</b>

6.18 Cost of sales

Items	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Software products	433,890	185,702
Software service	-1,570,200	-1,647,673
<b>Total</b>	<b>-1,136,310</b>	<b>-1,461,971</b>

6.19 Tax and surcharges

Items	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Urban maintenance and construction tax	8,778	-
Education supplementary tax	3,762	-
Local education supplementary tax	2,508	-
Stamp duty	1,808	1,338
WHT-CIT paid by related parties	38,360	165,392
<b>Total</b>	<b>55,216</b>	<b>166,730</b>

6.20 Selling expenses

	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Selling expenses	539,864	608,979
The main project:		
Items	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Travelling expenses	519,456	604,248

6.21 General and administrative expenses

	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
General and administrative expenses	4,788,193	4,460,721
The main project:		
Items	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Salary	2,513,466	2,749,541
Professional service fee	1,255,937	584,576
Social security	560,426	617,012

6.22 Financial expenses

Items	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Interest expenses	6,398	7,089
Less: Interest income	258	725
Exchange losses (gains)	167,630	292,825
Bank charges	5,227	5,244
<b>Total</b>	<b>178,997</b>	<b>304,433</b>

6.23 Non-operating income

Items	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Government subsidies	-	70,000
Gain on disposal of non-current assets	3,723	-
Additional input deduction	3,696	18,637
IIT refund	924	991
Other	69	158
<b>Total</b>	<b>8,412</b>	<b>89,786</b>

6.24 Non-operating expenses

Items	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Loss of bad debt	5,176,995	58,803
Default fine	8,104,050	-
<b>Total</b>	<b>13,281,045</b>	<b>58,803</b>

7. CASH FLOW

Adjustments to reconcile net income to net cash from operating activities:

Items	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Net profit/(losses)	-15,029,291	-1,018,218
Add: Depreciation of right-of-use asset	92,511	124,765
Loss on disposal of other long-term asset ("-" for gains)	-3,723	-
Financial expenses ("-" for gains)	6,398	7,089
Decrease in operating receivables ("-" for increase)	5,533,994	-781,278
Increase in operating payables ("-" for decrease)	9,602,987	2,085,735
<b>Net cash flow from operating activities</b>	<b>202,876</b>	<b>418,093</b>



## 8. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

### 8.1 Related parties

(1) The following are related parties where a control relationship exists

A. Name of related parties and relationship with the Company

Name	Relationship
Ramco Systems Limited	Investor

B. Capitals invested and changes of capital of the related parties

Name	2024.3.31		2023.3.31	
	Share/equity	Percentage	Share/equity	Percentage
Ramco Systems Limited	1,000,000	100%	1,000,000	100%
<b>Total</b>	<b>1,000,000</b>	<b>100%</b>	<b>1,000,000</b>	<b>100%</b>

(2) The following are related parties that do not control or are not controlled by the Company

Name	Relationship
Ramco Systems Pte Ltd., Singapore	Under the control of the same ultimate holding company
Ramco Systems Pte Ltd., Hongkong	Under the control of the same ultimate holding company
Ramco System Inc., Philippines	Under the control of the same ultimate holding company
Ramco Systems Sdn. Bhd., Malaysia	Under the control of the same ultimate holding company
Ramco Systems Australia Pty Ltd, Australia	Under the control of the same ultimate holding company
Ramco Systems Corporation, USA	Under the control of the same ultimate holding company

### 8.2 Related parties transactions

(1) Pricing policies

The price of the service provided by the related party are negotiated by both parties.

### 8.3 Amounts due from/to related parties

(1) Accounts receivables

Name	2024.3.31	2023.3.31
Ramco Systems Pte Ltd., Hongkong	73,992	360,573
Ramco Systems Limited, India	-	387,971
Ramco Systems Sdn. Bhd., Malaysia	-	108,327
Ramco System Inc., Philippines	497,499	-
Ramco Systems Corporation, USA	23,607	-
<b>Total</b>	<b>595,098</b>	<b>856,871</b>

(2) Accounts payables

Name	2024.3.31	2023.3.31
Ramco Systems Pte Ltd., Singapore	2,342,327	2,191,743
Ramco Systems Pte Ltd., Hongkong	1,750,099	1,281,825
Ramco Systems Limited, India	564,899	469,223
Ramco Systems Sdn. Bhd., Malaysia	854,195	685,381
<b>Total</b>	<b>5,511,520</b>	<b>4,628,172</b>

(3) Advance from customers

Name	2024.3.31	2023.3.31
Ramco Systems Pte Ltd., Singapore	4,128,130	4,093,561
<b>Total</b>	<b>4,128,130</b>	<b>4,093,561</b>

## 9. CONTINGENT EVENTS

As at 31 March 2024, the Company has no significant contingent events that needs to be disclosed.

## 10. COMMITMENTS

As at 31 March 2024, the Company has no post balance sheet event that needs to be disclosed.

## 11. POST BALANCE SHEET EVENTS

As at 31 March 2024, the Company has no post balance sheet event that needs to be disclosed.

## 12. APPROVAL OF FINANCIAL STATEMENTS

Financial statements and notes to financial statements have been approved to report on 13 May 2024

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# TAXABLE INCOME RECONCILIATION

For the year ended 31 March 2024

[English Translation for Reference only]

Client: Ramco Systems (Shanghai) Co., Ltd.

Currency: Rmb

Items	Amount
Accounting income for the year	-15,029,291
Add: Increase in tax adjustment	406,287
Including: Commercial insurance paid for employees	24,327
Others - Right-of-use Assets	4,410
Expenses without legally invoiced	377,550
Taxable income for the year	-14,623,004
Less: Accumulated taxable losses for previous years	4,937,420
Taxable income	-19,560,424

Legal representative:

RAMAMURTHY.RAVI KULA CHANDRAN

Person in charge of accounting:

Ananda Ganesh T S

Head of Finance Department:

Ananda Ganesh T S

Note: The adjustments of taxable income referred to above are to be determined by the tax bureau.