

**Report of the statutory auditors**  
**with financial statements as of 31<sup>st</sup> March 2016**

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**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**

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As statutory auditor, we have examined the financial statements (balance sheet, income statement and notes) of Ramco Systems Ltd. for the year ended 31<sup>st</sup> March 2016.

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 do not comply with Swiss law and the company's articles of incorporation.

Liestal, 21<sup>st</sup> April 2016

The statutory auditors:

**Duttweiler & Partner**  
**Wirtschaftsprüfung AG, Liestal**

G. Roth  
zugelassener Revisionsexperte /  
Swiss Certified Audit Expert  
(Auditor in charge)

P. Salathe  
zugelassener Revisor /  
Swiss Certified Auditor

### **Enclosures**

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

## BALANCE SHEET AS OF MARCH 31, 2016

<b>ASSETS</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
	<b>CHF</b>	<b>CHF</b>
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<b><u>Current assets</u></b>		
Cash and cash equivalents	64'297	109'317
Trade accounts receivable	68'580	129'563
Trade accounts receivable - shareholder/intercompany (incl. advances)	257'140	238'889
Loans - shareholder/intercompany	1'711'263	1'507'355
Other current receivables	17'898	832
Non-invoiced services	205'958	14'294
Prepaid expenses and accrued income	9'095	5'772
<b>Total current assets</b>	<b>2'334'229</b>	<b>2'006'023</b>
 <b><u>Non-current assets</u></b>		
Tangible fixed assets	3'061	6'650
<b>Total non-current assets</b>	<b>3'061</b>	<b>6'650</b>
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<b>TOTAL ASSETS</b>	<b>2'337'290</b>	<b>2'012'672</b>
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 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b><u>Short-term liabilities</u></b>		
Trade accounts payable	272	166
Trade accounts payable - shareholder/intercompany	226'504	143'060
Other short-term liabilities	12'281	55'604
Deferred income and accrued expenses	172'287	283'522
<b>Total short-term liabilities</b>	<b>411'345</b>	<b>482'352</b>
 <b><u>Shareholders' equity</u></b>		
Share capital	1'400'000	1'400'000
Legal capital reserves	1'493'043	1'493'043
Accumulated losses	-1'362'723	-1'409'847
Annual profit	395'626	47'124
<b>Total shareholders' equity</b>	<b>1'925'946</b>	<b>1'530'320</b>
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<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2'337'290</b>	<b>2'012'672</b>
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## PROFIT AND LOSS ACCOUNT 2015 / 2016

	2015 / 2016 CHF		2014 / 2015 CHF	
Revenue from sales, services and licences	931'862	82.9%	994'168	102.1%
<b>Net proceeds from sales of goods and services</b>	<b>931'862</b>	<b>82.9%</b>	<b>994'168</b>	<b>102.1%</b>
Other income	0	0.0%	3'577	0.4%
Changes in non-invoiced services	191'663	17.1%	-23'921	-2.5%
<b>Total operating income</b>	<b>1'123'525</b>	<b>100.0%</b>	<b>973'824</b>	<b>100.0%</b>
Costs of goods sold	295'598	26.3%	61'003	6.3%
Royalties for licenses and services	297'094	26.4%	349'403	35.9%
<b>Cost of goods sold and royalties</b>	<b>592'692</b>	<b>52.8%</b>	<b>410'406</b>	<b>42.1%</b>
Salaries and related costs	113'078	10.1%	330'917	34.0%
<b>Personnel expenses</b>	<b>113'078</b>	<b>10.1%</b>	<b>330'917</b>	<b>34.0%</b>
Administrative costs	30'862	2.7%	47'570	4.9%
Selling and advertising expenses	37'954	3.4%	76'231	7.8%
Rent, leasing and office maintenance	7'200	0.6%	8'964	0.9%
Maintenance and repairs	65	0.0%	2'755	0.3%
Insurance and fees	25'376	2.3%	27'993	2.9%
<b>Other operating expenses</b>	<b>101'457</b>	<b>9.0%</b>	<b>163'513</b>	<b>16.8%</b>
Depreciation and amortization	3'589	0.3%	4'089	0.4%
<b>Depreciation and adjustments on fixed asset items</b>	<b>3'589</b>	<b>0.3%</b>	<b>4'089</b>	<b>0.4%</b>
<b>Operating result</b>	<b>312'710</b>	<b>27.8%</b>	<b>64'899</b>	<b>6.7%</b>
Other financial charges	-785	-0.1%	-967	-0.1%
Exchange rates gains/losses	14'853	1.3%	-81'608	-8.4%
Financial income - intercompany	74'918	6.7%	70'660	7.3%
<b>Financial costs and financial income</b>	<b>88'986</b>	<b>7.9%</b>	<b>-11'915</b>	<b>-1.2%</b>
<b>Annual profit before taxes</b>	<b>401'696</b>	<b>35.8%</b>	<b>52'984</b>	<b>5.4%</b>
Direct taxes	-6'070	-0.5%	-5'860	-0.6%
<b>Annual profit</b>	<b>395'626</b>	<b>35.2%</b>	<b>47'124</b>	<b>4.84%</b>

## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2016

### 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.

These financial statements were prepared for the first time under the new provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). In accordance with the Code of Obligations Ramco Systems Ltd. elected to restate prior year figures to ensure comparability with the 2015/2016 presentation.

#### 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

	31.03.2016	31.03.2015
	CHF	CHF
	_____	_____
<b>Details of tangible fixed assets</b>		
Furniture and fittings	2'744	3'813
EDP-hardware/software and office machines	317	2'837
<b>Total tangible fixed assets</b>	<b>3'061</b>	<b>6'650</b>

### 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