

Radisys International Singapore Pte. Ltd.

**Financial Statements
for the year ended 31st December, 2023**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Radisys International Singapore Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 18.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2023 and of the financial performance, changes in equity and cash flows of the Company for the year then ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). 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 Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF RADISYS INTERNATIONAL SINGAPORE PTE. LTD.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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.

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 of assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism 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 management.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**

- 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.
- 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 directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Ghamazy Rashid

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

5 March 2024

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**STATEMENT OF FINANCIAL POSITION
31 December 2023**

	As at 31 December 2023	As at 31 December 2022
<u>Note</u>	<u>\$</u>	<u>\$</u>
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	4 55,433	41,787
Amount due from immediate holding company (trade)	3 416,430	370,774
Other receivables and prepayment	5 -	7,603
Total current assets	<u>471,863</u>	<u>420,164</u>
Total assets	<u>471,863</u>	<u>420,164</u>
<u>LIABILITIES AND EQUITY</u>		
Current liabilities		
Other payables and accruals	6 148,359	123,173
Amount due to immediate holding company (non-trade)	3 67,307	67,307
Amount due to fellow subsidiary	3 91,387	94,957
Income tax payable	7,109	5,837
Total current liabilities	<u>314,162</u>	<u>291,274</u>
Capital and reserve		
Share capital	7 1	1
Retained earnings	157,700	128,889
Total equity	<u>157,701</u>	<u>128,890</u>
Total liabilities and equity	<u>471,863</u>	<u>420,164</u>

On behalf of the board

Nilesh Mehta
DirectorRobert Pippert
Director

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
Year ended 31 December 2023

	<u>Note</u>	<u>2023</u>	<u>2022</u>
		\$	\$
Revenue	8	680,798	502,888
Employee benefits expense	9	(532,172)	(391,156)
Travelling expenses		(62,496)	(42,139)
Foreign exchange gain/(loss)		3,572	9,193
Other expenses		(53,711)	(45,646)
Profit/(Loss) before income tax		35,991	33,140
Income tax expense	10	(7,180)	(5,837)
Profit/(Loss) for the year, representing total comprehensive income for the year		28,811	27,303

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**STATEMENT OF CHANGES IN EQUITY**
Year ended 31 December 2023

	Share capital	Retained earnings	Total
	\$	\$	\$
Balance at 1 January 2022	1	101,586	101,587
<i>Total comprehensive income for the year:</i>			
Profit for the year	-	27,303	27,303
Balance at 31 December 2022	1	128,889	128,890
<i>Total comprehensive income for the year:</i>			
Profit for the year	-	28,811	28,811
Balance at 31 December 2023	1	157,700	157,701

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**STATEMENT OF CASH FLOWS**
Year ended 31 December 2023

	2023	2022
	\$	\$
Operating activities		
Profit before income tax, representing operating cash flows before movements in working capital	35,991	33,140
Changes in working capital:		
Trade receivable due from immediate holding company	(45,656)	(114,879)
Other receivables and prepayment	7,603	(7,603)
Other payables and accruals	25,186	99,177
Cash used in operations	23,124	9,835
Income tax paid	(5,908)	(32)
Net cash used in operating activities	17,216	9,803
Financing activity		
Advance from fellow subsidiary, representing net cash from financing activity	(3,570)	(9,193)
Net decrease in cash and cash equivalents	13,646	610
Cash and equivalents at beginning of year	41,787	41,177
Cash and cash equivalents at end of year (Note 4)	55,433	41,787

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**NOTES TO FINANCIAL STATEMENTS**
Year ended 31 December 2023**1 General information**

The Company (Registration No. 201542257R) is incorporated and domiciled in Singapore with its registered office at 38 Beach Road #29-11 South Beach Tower, Singapore 189767. The financial statements are expressed in Singapore dollars, which is the functional currency of the Company.

The principal activities of the Company are the provision of sales and marketing services for the holding company.

The financial statements of the Company for the year ended 31 December 2023 were authorised for issue by the Board of Directors on 5 March 2024.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Financial Reporting Standards in Singapore ("FRSs").

1.2 Adoption of new and revised standards

In the current financial year, the Company has adopted all the new and revised FRSs that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements except as below.

Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies*

The Company has adopted the amendments to FRS 1 *Presentation of Financial Statements* for the first time in the current year. The amendments change the requirements in FRS 1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in FRS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial, however, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Company has applied the materiality guidance in FRS Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information'.

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**NOTES TO FINANCIAL STATEMENTS**
Year ended 31 December 2023**1.3 Material accounting policy information****Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in the financial statements is determined on such as basis, except for leasing transactions that are within the scope of FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instruments.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Financial assets are initially measured at fair value (except for trade receivables that do not have a significant financing component which are measured at transaction price), net of transaction costs that are directly attributable to the acquisition or issue of financial assets.

Classification of financial assets

The Company classifies its financial assets based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets (comprising cash and cash equivalents, trade and other receivables) are subsequently measured at amortised cost as they are held within a business model whose objective is to collect the contractual cash flows which are solely payments of principal and interest on the principal amount outstanding ("SPPI").

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**NOTES TO FINANCIAL STATEMENTS**
Year ended 31 December 2023Impairment of financial assets

The Company recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables and contract assets. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset. The ECL incorporates forward-looking information and is a probability-weighted estimate of the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

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.

Financial liabilities and equityClassification as debt or equity

Debt and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

Financial liabilities at amortised cost include trade and other payable, accruals and amount due to holding company. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities and are subsequently measured at amortised cost using the effective interest rate 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 amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**NOTES TO FINANCIAL STATEMENTS**
Year ended 31 December 2023**1.4 Critical accounting judgements and key sources of estimation uncertainty***(i) Critical judgements in applying the Company's material accounting policies*

Management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Revenue recognition

The Company recognises revenue from the provision of administrative, sales and support services to immediate holding company. Revenue is measured based on the consideration specified in a contract with related party which is computed based on its operating costs incurred plus a fix margin. The Company recognises revenue as a performance obligation satisfied over time.

Retirement benefit costs

Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans and are charged as an expense as they fall due.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Income tax

Income tax for the financial year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates (and tax laws) enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised, using the balance sheet method, providing for all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

A deferred tax asset is recognised to the extent that it is probable that future taxable income will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at the end of the reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**NOTES TO FINANCIAL STATEMENTS**
Year ended 31 December 2023

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

Foreign currency transactions and translation

The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the Company operates (its functional currency) which is the Singapore dollars.

Transactions in currencies other than the Company's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. All exchange differences are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks balances that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT*(a) Categories of financial instruments*

The following table sets out the financial instruments as at the end of the reporting period:

	As at 31 December 2023	As at 31 December 2022
	\$	\$
Financial assets		
Cash and cash equivalents	55,433	41,787
Amount due from immediate holding company	416,430	370,774
Total financial assets at amortised costs	<u>471,863</u>	<u>412,561</u>
Financial liabilities		
Other payables and accruals	148,359	123,173
Amount due to immediate holding company	67,307	67,307
Amount due to fellow subsidiary	91,387	94,957
Total financial liabilities at amortised costs	<u>307,053</u>	<u>285,437</u>

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**NOTES TO FINANCIAL STATEMENTS**
Year ended 31 December 2023*(b) Financial risk management policies and objectives*

The Company's major financial instruments include cash and cash equivalents, amount due from immediate holding company, other payables and amount due to immediate holding company. The risks associated with these financial instruments include market risk (primarily being foreign currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(i) Foreign currency risk

Foreign currency risk refers to the risk that arises from the movements in the foreign currency exchange rate against Singapore dollar that will affect the Company's financial results and its cash flows.

The Company's exposure to foreign currency risk is with the amount due to the immediate holding company (Note 5). Management considers that such is low as the Company is able to recharge any foreign exchange loss back to its immediate holding company. Accordingly, no sensitivity analysis is prepared.

(ii) Interest rate risk

The Company has minimal exposure to interest rate risk as it does not have significant interest-bearing financial assets and liabilities at the end of the reporting period. As such, no sensitivity analysis is prepared.

(iii) Credit risk

The Company has minimal exposure to credit risk as it provides services to its immediate holding, which management considers to be creditworthy. Cash is placed with a regulated bank.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk is managed by matching the payment and receipt cycle. The Company's operations are financed mainly through cash generated from operations.

All financial assets and liabilities in 2023 and 2022 are repayable on demand or due within 1 year from the end of the reporting period and are non-interest bearing.

(v) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other receivables, other payables and amount due to immediate holding company approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**NOTES TO FINANCIAL STATEMENTS**
Year ended 31 December 2023*(c) Capital management policies and objectives*

The Company reviews its capital structure at least annually to ensure that the Company will be able to continue as a going concern. The capital structure of the Company comprises only of equity and amount due from immediate holding company.

Management reviews the capital structure on an annual basis to balance its overall capital structure through the issue of new capital and distribution of dividend.

The Company is not subject to any externally imposed capital requirements for the year ended 31 December 2023 and 2022.

3 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The Company is a wholly-owned subsidiary of Radisys Corporation, incorporated in the United States of America. Reliance Industries Limited, a company incorporated in India, is the ultimate holding company. Related companies in these financial statements refer to members of the holding company's group of companies.

Some of the Company's transactions and arrangements are between members of the group and the effect of these on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

The intercompany transactions are as follows:

	As at 31 December 2023	As at 31 December 2022
	\$	\$
Service income from immediate holding company	<u>680,798</u>	<u>502,888</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. Key management personnel of the Company are the directors. A director received a fee of \$2,500 (2022 : \$2,500).

The amount due to immediate holding company that are not denominated in the Company's functional currency are as follows:

	As at 31 December 2023	As at 31 December 2022
	\$	\$
Chinese Renminbi	91,387	94,957
United States dollar	<u>67,307</u>	<u>67,307</u>

4 CASH AND CASH EQUIVALENTS

	As at 31 December 2023	As at 31 December 2022
	\$	\$
Cash at banks	<u>55,433</u>	<u>41,787</u>

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**NOTES TO FINANCIAL STATEMENTS**
Year ended 31 December 2023

5	OTHER RECEIVABLES AND PREPAYMENT	As at 31 December 2023	As at 31 December 2022
		\$	\$
	Prepayment	-	7,603

6	OTHER PAYABLES AND ACCRUALS	As at 31 December 2023	As at 31 December 2022
		\$	\$
	Other payables	490	455
	Accruals	147,869	122,718
		<u>148,359</u>	<u>123,173</u>

7	SHARE CAPITAL	2023	2022	2023	2022
		Number of ordinary shares		\$	\$
	Issued and fully paid:				
	At the beginning and end of the year	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

8 REVENUE

This represents revenue earned from the provision of administrative, sales and support services rendered over time to the immediate holding company.

9 EMPLOYEE BENEFITS EXPENSE

Employee benefits expenses are all short term benefits.

10 INCOME TAX EXPENSE

		2023	2022
		\$	\$
	Current tax	7,180	5,837
		<u>7,180</u>	<u>5,837</u>

RADISYS INTERNATIONAL SINGAPORE PTE. LTD.**NOTES TO FINANCIAL STATEMENTS**
Year ended 31 December 2023

Domestic income tax is calculated at 17% (2022 : 17%) of the estimated assessable profit for the financial year. The total credit for the financial year can be reconciled to the accounting profit as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Profit before income tax	<u>35,991</u>	<u>33,140</u>
Income tax expense calculated at 17%	6,118	5,634
Non-deductible expense	2,944	6,891
Non-taxable income	(607)	-
Effect of partial tax exemption and corporate tax rebate	<u>(1,275)</u>	<u>(6,688)</u>
Income tax expense recognised in profit or loss	<u>7,180</u>	<u>5,837</u>

11 EVENTS AFTER THE REPORTING PERIOD**11.1 STANDARDS ISSUED BUT NOT EFFECTIVE**

At the date of authorisation of these financial statements, there are FRS pronouncements that have been issued but not yet effective. The management anticipates that the adoption of the new FRS or revised FRS in future periods will not have a material impact on the financial statements in the period of their initial adoption.