

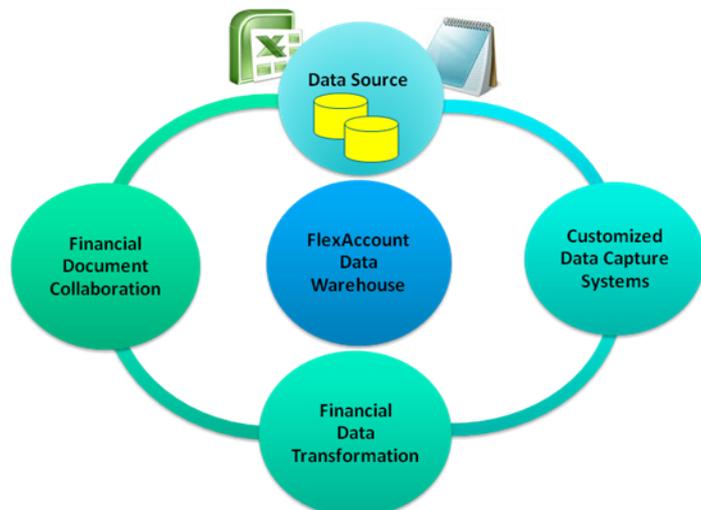
Finance Computing Framework, created on the basis of the FlexSystem Enterprise Software Architecture (FESA), LedgerBase and FlexCalc, is a new generation of systems design and implementation systems for the financial function of organizations. This can significantly shorten the development and implementation cycle of the system. The direct involvement of end users in the development of new application systems becomes practical. Together with the technical Supports of IT professionals, end users can develop the most appropriate application systems to eliminate the root of the problems that arise in computerized or manual systems of their organizations.

The following are the members of the framework:

- ❖ Financial Data Collection Framework
- ❖ Financial Data Transformation Framework
- ❖ FlexAccount 2020 Custom Process On-line Windows/Web Form
- ❖ Financial Analysis and Decision Supports Framework

Financial Data Collection Framework

Financial Data Collection Framework realises the need of multi-approach of data collection to fit for particular situation. The main objectives of the framework are to manage data integrity, security and quality; to remove duplication of data entry; to leverage ROI of data collection.



Features:

- ❖ Supports different kinds of data source, e.g. Excel, Text, SQL
- ❖ Financial Document Collaboration covers document authentication, versioning control
- ❖ Customised Data Capture System covers expenses management, settlement
- ❖ Financial Data Transformation and Warehouse

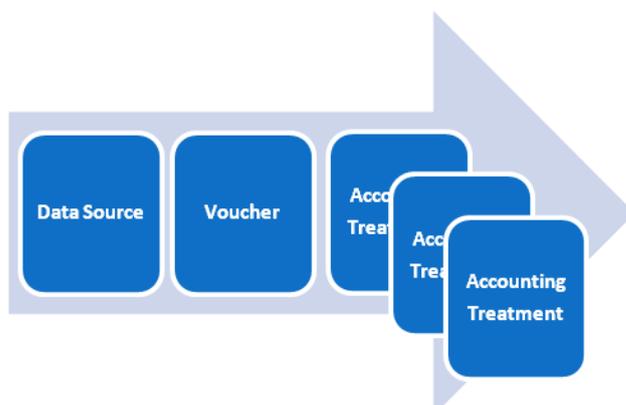
Financial Data Transformation Framework

Financial Data Transformation Framework is aware of the existence of heterogeneous financial data obtained from several data sources. Simply combining or merging heterogeneous financial data cannot provide effective Supports for financial analysis and decision making. Recommendations for unifying all data processing operations (i.e. ERP) organisations are usually designated as the final decision. However, management of organisations may find this impractical due to general reasons, such as justification of ROI and lead time. Without a perfect and dynamic ERP implementation, some accounting professions are trying to implement various financial data conversion methods to transform and consolidate financial data. These conversion methods fall into the following categories: -

- ❖ **Entity level:** Measurement and recognition of individual transactions for the purpose of financial and management accounting
- ❖ **Group level:** Collection and transformation of financial data (i.e. Trial Balance and Financial Report) from each entity of an entity group for the purpose of financial consolidation

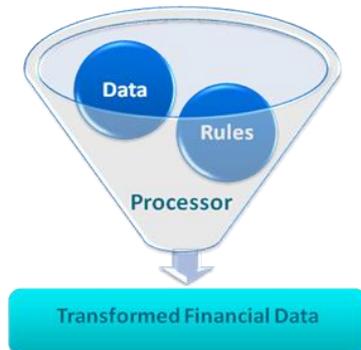
It is realised that if intensive human involvement during the financial data transformation process is involved, problems may be arisen such as data quality, work efficiency and process continuity.

To address the financial data transformation issues directly, our Financial Data Transformation Framework has been designed and developed core components namely FlexCalc Module, Command, Data Flow and Command Function.



FlexCalc Builder facilitates end users to configure financial data transformation rules through using a spreadsheet user interface. Users are required to configure at least 3 sections namely Executable Command, Data Flow and Command Function. And users can configure multiple Accounting Treatments for each CalcRule Workbook.

Each accounting treatment can be configured to meet variety of requirements such as local GAAP, IFRS, Tax, Management and etc.



FlexCalc Server is used to transform financial data according to user-defined accounting rules. For example, users can configure revenue measurement and recognition rules in respect of sales data including deferred revenues recognition and fair value measurement of customer loyalty points given to customers.

The FlexCalc can be extended its capability when new **Financial Model Function** is added. For example, financial models such as foreign currency translation, amortisation, activity-based costing, discount cash flow and KPI can be configured by FlexCalc.

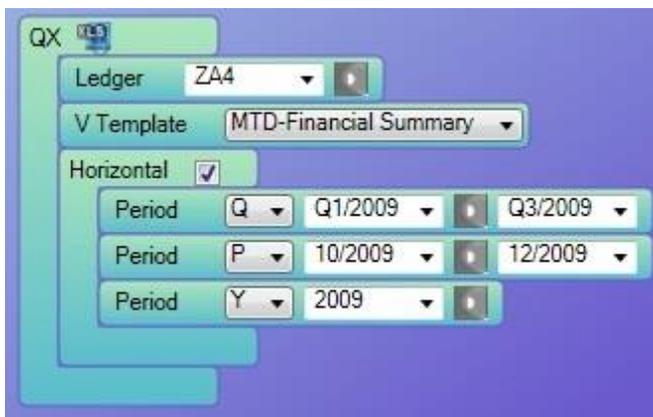
FlexAccount 2020 Custom Process On-line Windows/Web Form

FlexAccount 2020 Custom Process Online Windows/Web Form allow you to interact with two distinctive types of ledger system. They are Standard Ledger and Report Ledger. Standard Ledger follows traditional batch mode processing and voucher content is not allowed for amendment upon voucher is posted. Unlike Standard Ledger, Report Ledger allows transforming financial data and post to the ledger directly. Financial data will be transformed and become posted vouchers. Users can update the contents of posted vouchers by invoking FlexCalc to process the amended source data. However, further amendment is not allowed if accounting period is closed.

The FlexAccount 2020 Supports for two distinctive classes of data store, they are SQLs or NoSQL. In addition, it also Supports offline mode, so users can continue the financial data enquiry functions when their workstations are not connected to server.

Financial Analysis and Decision Supports Framework

Financial Analysis and Decision Supports Framework is empowered by Fion, FionBrick and Dashboard. **Fion** offers formula base method for users to build variety of financial reports in Excel Workbook to achieve specific disclosure and presentation requirements. Each Fion formula covers at least four financial data dimensions namely ledger code, account code, account period and value type. The computation speed for each Fion formula increases when number of Fion formula increases within an Excel Workbook.



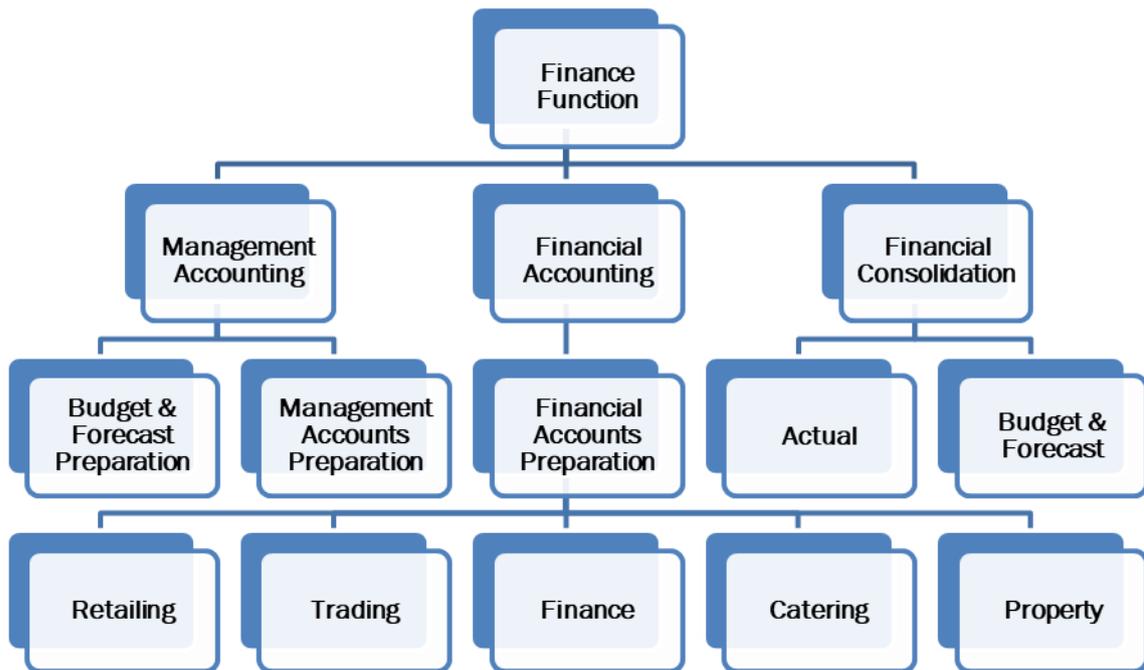
FionBrick is an add-on graphical user interface of Fion. Simply drag and drop the buttons, users can instantly build variety of financial reports for different scenarios. Case example on left hand side showing that the combination of V Template selection and period selections inserted in Horizontal module can generate the Financial Summary of ABC Group.

	A	B	C	D	E	F	G	H
1		Q1/2009	Q2/2009	Q3/2009	10/2009	11/2009	12/2009	2009
2	ABC Group							
3	Financial Summary							
4	HK\$'000							
5								
6	Turnover	330	231	232	77	78	602	1,550
7	GP%	16%	18%	15%	14%	16%	15%	16%
8								
9	PBIT	33	13	16	2	3	108	175
10								
11	Total assets	1,532	1,619	1,508	1,595	1,782	1,800	1,800
12	Total liabilities	(522)	(622)	(522)	(622)	(822)	(750)	(750)
13	Total equity	1,010	997	986	973	960	1,050	1,050

Users can build different kinds of static financial reports by using Fion only, and also combine the use of FionBrick to build different kinds of dynamic financial reports.

Finance Computing Applications

Since FlexCalc allows configuring different types of Financial Model Function, Finance Computing Framework is capable to Supports different types of finance and accounting processes automation such as financial accounting, management accounting and financial consolidation.



Financial Model Functions

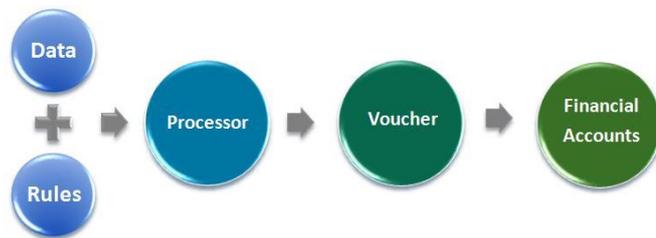
Accounting Equation	Foreign Currency Translation	Different Accounting Year-End Date	Amortisation	Mapping Function
Activity-based Costing	Allocation	Simulation	Regression	Discounted Cash Flow
KPI	Performance Scorecard	Loans	Leasing	Inventory

Financial Accounts Preparation

Financial Accounts Preparation is one of application systems Supported and governed by the Finance Computing Framework. It provides best fit solution for any organisation to shorten their lead time of period end closing. The system is highly flexible and dynamic to align with specific needs of any organisation. The core design of the system allows users to configure measurement and recognition rules for each class of transaction. In addition, it allows developing and implementing more effective internal control and information depth for financial accounts preparation.

Key features:

- ❖ Satisfies internal management, statutory audit and published financial reporting
- ❖ Impressive data connectivity including Excel Workbook and database (i.e. SQLs or NoSQL)
- ❖ Strong Supports reconciliation of inter-company transactions
- ❖ Highly comprehensive mapping function for identification of account code and analysis code
- ❖ Quantitative disclosure of risks, e.g. currency risk, liquidity risk and credit risk
- ❖ Supports different types of data source including sales transaction list, purchase transaction list, mortgage loan schedule, lease contract schedule, amortisation table
- ❖ Supports currency revaluation of monetary assets and liabilities
- ❖ Supports specific IFRS disclosure requirements including related party disclosure and minimum lease payments and receivable
- ❖ Supports rules setting in relation to allocation and amortisation of income and expenses
- ❖ Users can set accrual rules and settlement rules for each class of transaction
- ❖ Supports generating cash flow statements in both direct and indirect method
- ❖ Supports generation of vouchers associated with multi-department, multi-company, multi-segment and multi-project in order to align with specific needs of management accounting
- ❖ Multi-user environment allows cross departmental staff to upload transactions
- ❖ Each company and each class of transaction can fulfill both IFRS measurement rules and management measurement rules, so users can prepare financial accounts and management accounts simultaneously
- ❖ Supports drill down financial information from highest summary level to lowest detail level

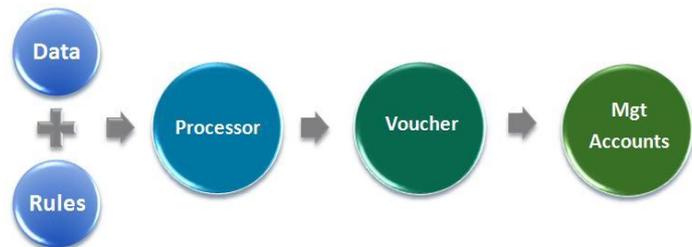


Management Accounts Preparation

Management Accounts Preparation is one of application systems Supported and governed by the Finance Computing Framework. It provides best fit solution for any organisation to reduce the lead time to transform their financial accounts into management accounts. The system is highly flexible and dynamic to align with specific needs of any organisation. The core design of the system is to allow user to import data from financial accounts and then invoke the data transformation process based on management required measurement and recognition rules for each class of transactions. In addition, it allows developing and implementing more effective internal control and information depth for management accounts preparation.

Key features:

- ❖ Satisfies internal management in respect of specific requirements of financial reporting in addition to published financial reporting
- ❖ Impressive data connectivity including Excel Workbook and database (i.e. SQLs or NoSQL)
- ❖ Highly comprehensive mapping function for identification of account code and analysis code
- ❖ Supports different types of data source for management account preparation including voucher, trial balance, financial report, sales transaction list, purchase transaction list, mortgage loan schedule, lease contract schedule, amortisation table
- ❖ Financial statements for transformation can be financial accounts of individual company and financial accounts of a group
- ❖ Users can prepare multiple scenarios of management accounts based on different sets of measurement rule and recognition rule
- ❖ Supports currency revaluation of monetary assets and liabilities
- ❖ Supports rules setting in relation to allocation and amortisation of income and expenses
- ❖ Supports collection of statistical information including staff headcount by department, number of shop by district and etc.
- ❖ Supports generating of vouchers associated with multi-department, multi-company, multi-segment and multi-project in order to align with specific needs of management accounting
- ❖ Multi-user environment allows cross departmental staff to upload transactions responsible by them
- ❖ Supports drill down financial information from highest summary level to lowest detail level

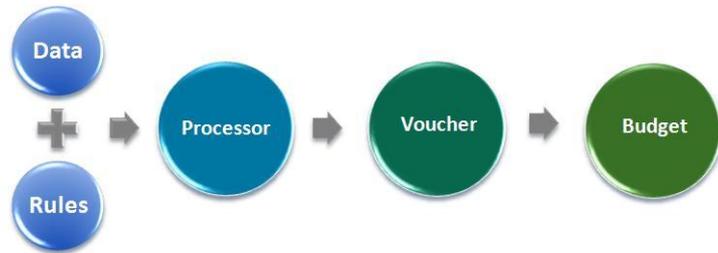


Budget and Forecast Preparation

Budget and Forecast Preparation is one of application systems Supported and governed by the Finance Computing Framework. It provides best fit solution for any organisation to draft their annual budget and revise their monthly forecast. The system is highly flexible and dynamic to align with specific needs of any size of organisation. The core design of the system is to make double entry method for budget and forecast preparation become practical. As all budget and forecast data transform to double entry vouchers automatically, full set of budget and forecast reports including balance sheet, profit and loss, cash flow and relevant note to accounts can be configured to generate automatically. In addition, it allows developing and implementing multiple scenarios and intensive sensitivity analysis during the process of budget and forecast preparation.

Key features:

- ❖ Satisfies all levels of internal management for budget and forecast preparation and analysis
- ❖ Impressive data connectivity including Excel Workbook and database (i.e. SQLs or NoSQL)
- ❖ Highly comprehensive mapping function for identification of account codes and analysis codes
- ❖ Supports different types of data source for budget preparation including transaction list, mortgage loan schedule, lease contract schedule, amortisation table
- ❖ One batch of document submission for voucher generation can cover multiple worksheets for each Excel Workbook, multiple Excel Workbooks, multiple accounting periods and years
- ❖ For each set of budget amendment, relevant vouchers can be overwritten automatically
- ❖ Users can set accrual rules and settlement rules for each class of transaction
- ❖ Supports rules setting in relation to allocation and amortisation of income and expense
- ❖ Supports generation of vouchers associated with multi-department, multi-company, multi-segment and multi-project for preparation of budget and forecast
- ❖ Multi-user environment allows cross departmental staff to generate budget vouchers based on their budget assumptions and data into the system simultaneously
- ❖ Supports user-definable rules setting to generate different scenarios of budget and forecast based on different sets of budget assumptions
- ❖ Quick financial control report to compare actual against budget and forecast for each combination of account code and analysis codes
- ❖ Supports replication of budget ledger to forecast ledger and replication of monthly actual to forecast ledger, all relevant budget assumptions and data can be reused to update forecast ledger
- ❖ Supports drill down financial information from highest summary level to lowest detail level

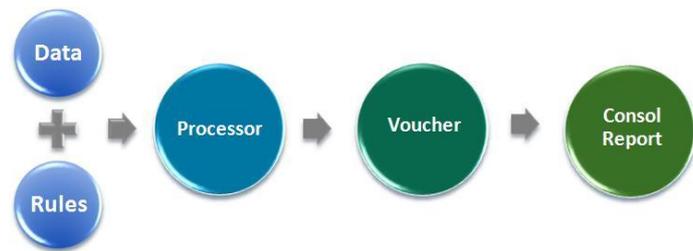


Financial Consolidation

Financial Consolidation is one of application systems Supported and governed by the Finance Computing Framework. It provides best fit solution for listed companies, MNC and retailing to meet demanding consolidation processes and schedules. The system is highly flexible and dynamic to align with specific needs by different types of entity group and operating segment. It is not only Supporting IFRS compliance in respect of preparation and presentation of consolidated financial statements, but also Supports different kinds of consolidation such as cash flow, statistical information, and sales analysis of branch operations. The core design of the system is to avoid the need to re-input a massive volume of data into the system when relevant data for consolidation exist in Excel Workbook or database. In addition, it allows developing and implementing better process control and processing speed for financial consolidation.

Key features:

- ❖ Satisfies internal management, statutory audit and published financial reporting
- ❖ Configuring historical change of group structure is not compulsory
- ❖ Impressive data connectivity including Excel Workbook and database (i.e. SQLs or NoSQL)
- ❖ Highly comprehensive mapping function for unifying account codes and analysis codes
- ❖ Setting up of consolidation entity is not compulsory and Supports multiple sub-group consolidation
- ❖ Supports different types of data source for consolidation including transaction, voucher, trial balance and financial report
- ❖ Different scenarios can be kept. For example, first scenario is to comply with IFRS and second scenario is to ensure effective resource allocation by adopting more suitable measurement rules
- ❖ For each batch of incoming financial data confirmed for processing, relevant vouchers can be overwritten automatically until period end closing is executed
- ❖ Supports user-definable mechanism for reconciliation and elimination and of inter-company transactions
- ❖ Supports original currency, functional currency and presentation currency
- ❖ Supports multiple exchange rate types including opening rate, closing rate, average rate, historical rate and composite rate
- ❖ Automatic currency translation including the computation of exchange realignment for certain non-current assets and liabilities
- ❖ Treatment of different financial year end of subsidiaries
- ❖ Quantitative disclosure of risks, e.g. currency risk, liquidity risk and credit risk
- ❖ Consolidation for multi-dimensional operating segments
- ❖ User-defined rule to automate certain adjustments including minority interest and taxation
- ❖ Supports consolidation of monthly budget and forecast
- ❖ Supports drill down financial information from highest summary level to lowest detail level



You Can Implement Apps by FlexAccount 2020 with FlexCalc

Whenever you consider adopting FlexSystem Methodology of Application Server Technology to host and manage your created Apps, you can implement FlexAccount 2020 with FlexCalc and LedgerBase to operate the Apps with different Ledger Workspaces. By adding further process codes with relevant user access rights to the Apps, you can manage to support different user groups they are responsible for the following tasks: –

- ❖ Download Budget Form & Expenses Reimbursement Form
- ❖ Upload Data Files with Different Excel Layouts
- ❖ Download Data Files for Review & Approval
- ❖ Update Mapping & Alert Rule
- ❖ Select & Confirm Account Reconciliation by Two Data Sets
- ❖ Select & Confirm Report Generation & Distribution
- ❖ Select & Confirm Financial Close, Group Accounts & Budgeting by A/C Treatment Type: –
 1. Revenue Recognition for Manufacturing, Trading, Retail, Property, Construction, etc
 2. Inventory Costing by FIFO, LIFO, Average or LOT
 3. Direct Cost Apportionment
 4. Indirect Cost Allocation
 5. Prepayment & Deferred Income
 6. Accrued Expense & Provision
 7. Sales Commission Calculation
 8. Accrual of Total Staff Cost
 9. Inter-Company Transaction Allocation & Elimination
 10. Loan/Lease Asset, Liability & Commitment Adjustment
 11. Depreciation & Amortisation of Long Term Asset
 12. Deferred Tax Asset & Liability Adjustment
 13. Fair Value Adjustment of Financial/Trading Asset & Liability
 14. Foreign Currency Revaluation of Monetary Asset & Liability
 15. Foreign Currency Translation of Balance Sheet & P/L Account
 16. Acquisition/Settlement/Disposal/Transfer of Asset & Liability