

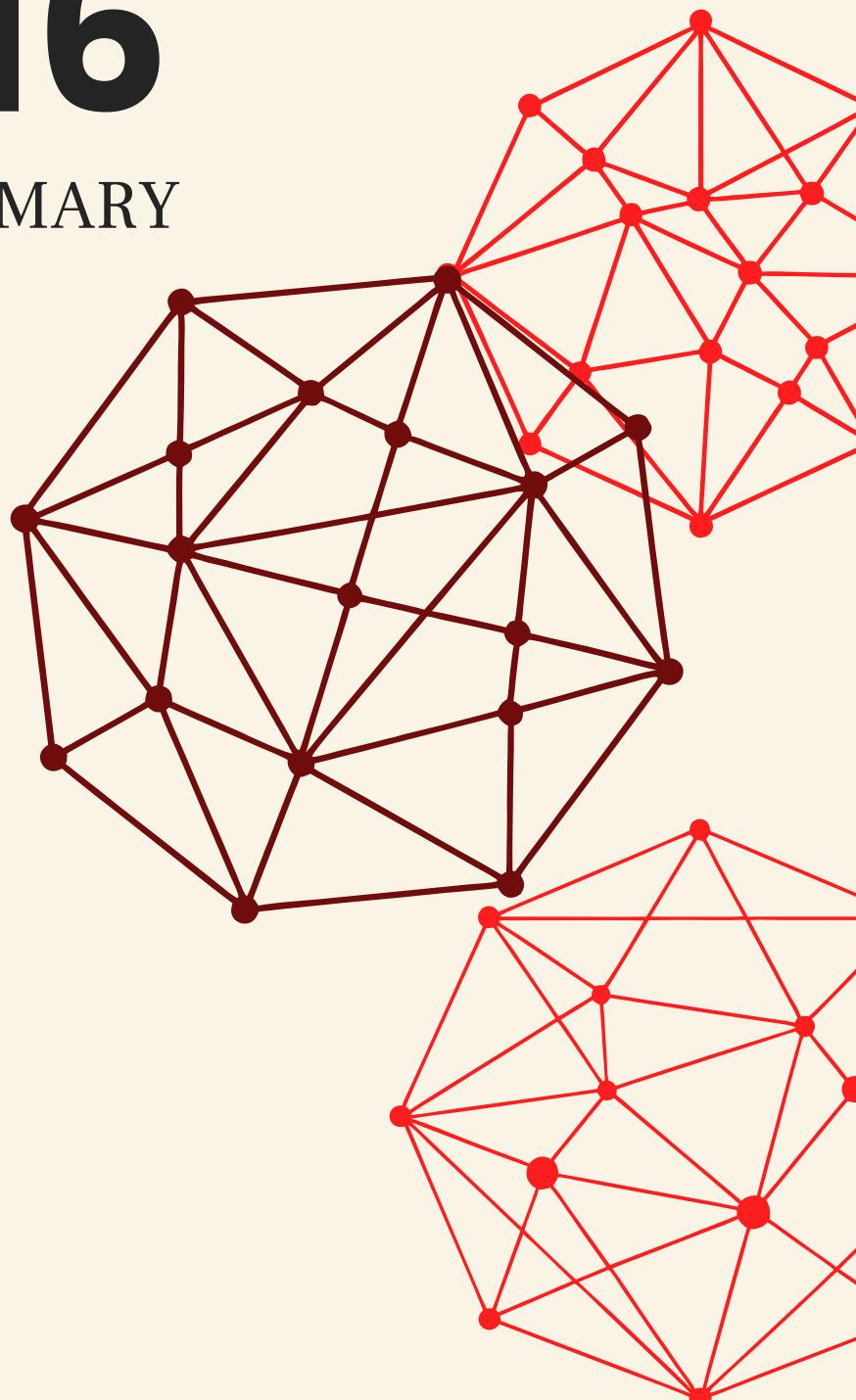
IFRS 16

EXECUTIVE SUMMARY

ACHIEVE IFRS
COMPLIANCE
WITH EASE

A new paradigm for
implementing IFRS
solutions

ADOPTING IFRS 16 WITH EASE



A Brief Story About IFRS 16 Compliance

IFRS 16 – LEASE

Under the previous accounting standards, leases were classified as either operating leases or finance leases, with only finance leases recorded on the balance sheet. However, under IFRS 16, this distinction no longer applies to lessees. The new standard requires that all leases be treated similarly to finance leases, meaning they must be recognized on the balance sheet as a right-of-use asset and a corresponding lease liability. This change significantly expands the balance sheet. Moving forward, lessees that previously held only operating leases will now be required to recognize the right to use leased assets—such as property, land, aircraft, vehicles, and equipment. Companies around the world are currently navigating the implementation of this new leasing standard.

"It sounds very simple to put your operating leases on the balance sheet, but it's actually very complex. In order to do that the standard requires a number of very complex calculations and a number of judgments within those calculations to actually get the numbers on the financial statements. That's a huge challenge for finance functions." – Lucy Newman, Partner, Deloitte

Key Benefits Supporting Hamilton Engine

1 Non-disruptive approach

Minimal to zero changes to existing business processes, aiming to reduce the impact of IFRS 16 and enable easy compliance.

3 Easy to implement

All components are fully configurable and can be implemented within 2 to 3 months, including all IFRS 16 quantitative disclosure requirements. The system can go live as soon as business data is available.

5 It is a one stop solution for IFRS 16, 17, 15 and 9

In addition to being adaptable to any future requirements, the system also accommodates any future accounting automation needs.

7 It is complete IFRS 16 solution

Supports both lessee and lessor accounting.

2 Hamilton(π) for SAP and Non SAP

Our unique accounting and compliance add-on integrates seamlessly with your existing SAP ecosystem—no additional software, hardware, system upgrades, or extra investment required.

Customers without SAP can still have benefits of Hamilton Solution using our new web-based called Hamilton(π)

4 Hamilton is convenient

Easy to use and navigate; natively integrated with SAP ECC or SAP S/4HANA, making integration with your existing G/L and A/P accounts seamless.

6 Total cost of ownership (TCO)

Arguably the most cost-effective IFRS 16 solution on the market.

Consequences of Non-Compliance

01

Non-compliance may lead to problems during company audits.

02

The ability to secure credit lines and attract investors will be slim to none.

03

Delaying could result in the need to apply the retrospective approach, which is both complex and costly.

04

Implementation is a time-consuming exercise.

05

Outdated key performance indicators.

Hamilton Engine Main Components

PURPOSE

To automate businesses' lease accounting process and to make compliance with lease accounting standards IFRS 16 and ASC 842 simple, easy and efficient. Hamilton is a comprehensive solution for lease accounting and lease administration that supports several accounting features such as lease contract creation and management, classifications, accruals, disclosures, and reporting.

CONTRACT CREATION



- Contract classification
- Portfolio approach
- Short term & low value contracts for reporting purposes

DEPRECIATION



- Payment schedule
- Depreciation schedule
- Reporting

DATA LOAD



- Excel / manual upload
- Storage of supporting documents
- Import history for audit trail

CONTRACT MODIFICATION



- Contract management
- Change in contract term
- Change in annuity rates

ANALYSIS



- Analysis by asset type, lease type, etc
- Analysis by cost center, profit center, etc
- Analysis by period

REPORTING



- Cash flow impact
- ROU detailed report
- Lease liability reports
- Other disclosure reports

DATA EXPORT



- By period and entity
- Adjustments pushed to SAP system
- Reversal if any will be pushed

POSTINGS



- Outcome of calculation will be posted
- Can also generate pro forma reporting

HAMILTON π

FIGHT FOR SIMPLICITY

Features & Functionalities

PVMLP	Guaranteed Residual Value	Change in Consideration	Parallel Currency	ASC 842: Classification
Tiered Pricing	Lease Incentives	Early Termination	Sublease	Non-Calendar Period
Initial Direct Cost	Non-Cancellable Period	Backdated	Intercompany Lease	Asset Integration
Purchase Option	Discount Rate Determination	Contract Category Structure	Consumer Price Index	G/L Account Determination
Renewal Term	Increase / Decrease RoU Scope	Payment Method	Parallel Ledger / ASC 842	Transition: Full & Modified Retros

Reporting / Disclosures

• Lease Contract Dashboard	• Lease Transaction Movement	• Proforma
• Projection of SFP/SPL	• Bucketing/Liquidity Risk Disclosure	• Weighted-Average Discount Rate
• Depreciation / Amortization	• Lease Information System	• Weighted-Average Remaining Lease Term
• Financial Position Movement	• Zero-Sum Report	