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**INTELLECT DESIGN ARENA LIMITED
REPORT AND FINANCIAL STATEMENT
31st March 2018**

Report of Independent Auditor

To the Shareholders of **INTELLECT DESIGN ARENA LIMITED**

Opinion

I have audited the accompanying financial statements of **INTELLECT DESIGN ARENA LIMITED**, which comprise the statement of financial position as at 31st March 2018, the statement of income and statement of changes in shareholders' equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **INTELLECT DESIGN ARENA LIMITED** as at 31st March 2018 and its financial performance for the year then ended in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standard for Non – Publicly Accountable Entities, 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.

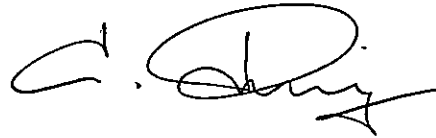
Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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.
- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.



CHATSUMARN JITBANCHONG
C.P.A.(THAILAND)
Registration No. 7757

Bangkok
19th April 2018

INTELLECT DESIGN ARENA LIMITED
STATEMENT OF FINANCIAL POSITION

As at 31st March 2018

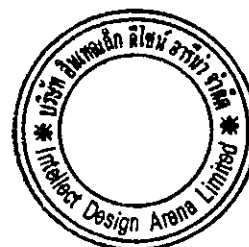
ASSETS	NOTE	2018	2017
		BAHT	
CURRENT ASSETS			
Cash and cash equivalents		38,891,699	732,003
Account receivables trade	4	59,383,944	-
Other receivables	5	1,003,357	403,546
TOTAL CURRENT ASSETS		99,279,000	1,135,549
NON-CURRENT ASSETS			
Equipment	7	1,941,838	91,045
Deposit		622,130	85,880
TOTAL NON-CURRENT ASSETS		2,563,968	176,925
TOTAL ASSETS		101,842,968	1,312,474

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The accompanying notes are an integral part of the financial statements.

x *Nogaj*

DIRECTOR



INTELLECT DESIGN ARENA LIMITED
STATEMENT OF FINANCIAL POSITION

As at 31st March 2018

LIABILITIES AND SHAREHOLDERS' EQUITY	NOTE	2018	2017
		BAHT	
CURRENT LIABILITIES			
Other payables	6	5,120,206	1,107,310
Other payable - related companies	9	79,077,361	42,617,320
TOTAL CURRENT LIABILITIES		<u>84,197,567</u>	<u>43,724,630</u>
NON - CURRENT LIABILITY			
Provision for long-term employee benefits	10	71,000	-
TOTAL NON - CURRENT LIABILITY		<u>71,000</u>	<u>-</u>
TOTAL LIABILITIES		<u>84,268,567</u>	<u>43,724,630</u>
SHAREHOLDERS' EQUITY			
Share capital			
Registered			
4,470,000 ordinary shares of Baht 5 each		22,350,000	22,350,000
Issued and paid up			
3,850,000 ordinary shares of Baht 1.25 each		4,812,500	4,812,500
620,000 ordinary shares of Baht 5 each		3,100,000	3,100,000
		<u>7,912,500</u>	<u>7,912,500</u>
Retained earnings (Deficits)		9,661,901	(50,324,656)
TOTAL SHAREHOLDERS' EQUITY		<u>17,574,401</u>	<u>(42,412,156)</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>101,842,968</u>	<u>1,312,474</u>

The accompanying notes are an integral part of the financial statements.

x *Nagai*

DIRECTOR



INTELLECT DESIGN ARENA LIMITED
STATEMENT OF EARNINGS
For the year ended 31st March 2018

		For the year ended 31 st March 2018	For the period as from 1 st January through 31 st March 2017
	NOTE	BAHT	
REVENUE			
Income from sales		139,500,000	-
Income from services		25,093,859	196,746
Income from debt forgiveness	11	19,840,626	-
Exchange gain		2,413,433	-
TOTAL REVENUE		186,847,918	196,746
EXPENSES			
Cost of sales		97,650,000	-
Cost of services		21,025,946	137,722
Selling expenses		3,408,023	-
Administrative expenses		4,777,392	3,403,486
TOTAL EXPENSES		126,861,361	3,541,208
NET EARNINGS (LOSS) FOR THE PERIOD		59,986,557	(3,344,462)

The accompanying notes are an integral part of the financial statements.

x *Nafas*

DIRECTOR



INTELLECT DESIGN ARENA LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the year ended 31st March 2018

	Ordinary Shares Issued and paid-up	Retained earnings (Deficit)	BAHT Total
Opening balance as at 1 st January 2017	7,912,500	(46,980,194)	(39,067,694)
Net loss for the period	-	(3,344,462)	(3,344,462)
Ending balance as at 31 st March 2017	7,912,500	(50,324,656)	(42,412,156)
Net earnings for the year	-	59,986,557	59,986,557
Ending balance as at 31 st March 2018	7,912,500	9,661,901	17,574,401

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The accompanying notes are an integral part of the financial statements.

X
Naga

DIRECTOR



INTELLECT DESIGN ARENA LIMITED
NOTES TO FINANCIAL STATEMENTS
For the year ended 31st March 2018

NOTE 1 GENERAL INFORMATION

The Company was incorporated as a limited company under Thai Civil and Commercial Laws on 23rd July 2012 and is mainly engaged in creative design, development, modification, distribution and installation of updated software.

On 1 November 2017, the Company has moved office from 399 Interchange 21 Building, Level 33, Sukhumvit Road, Klongtoey Nue Sub District, Wattana District, Bangkok to new office where located at 100/42 Sathorn Nakorn Tower, 23rd Floor, North Sathorn Road, Silom, Bangrak, Bangkok.

NOTE 2 BASIS FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The financial statement have been prepared in accordance with Accounting Standards generally accepted in Thailand and the Company has adopted the Thai Financial Reporting Standard applicable to Non-publicly Accountable Entities as issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after 1st January 2011 onward, and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28th September 2011, issued under the Accounting Act B.E. 2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue recognition

Income from sales is recognized after goods have already been delivered.

Income from services is recognized on percentage of completion basis. *Am*

3.2 Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash at banks with a maturity of three months or less and with no commitment

3.3 Depreciation

Depreciation of fixed assets is calculated by reference to cost on a straight-line basis over their estimated useful lives at the rate of 20-33.33 percent per annum.

3.4 Foreign currencies

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Assets and liabilities denominated in foreign currency outstanding on the balance sheet date are translated into Baht at the exchange rates ruling on the balance sheet date.

Exchange gains and losses are included in determining earnings.


3.5 Accounting Estimation

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

3.6 Provision

Provision are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable can be made of the amount of the obligation.

Long-term employee benefits

The Company calculates its long-term employee benefits obligation on the basis of its best estimate of its payment obligations as at the end of the reporting period. The Company selected the recognition of provision for long-term employee benefits first-time adoption by recording expense in determining earnings. 

NOTE 4 ACCOUNT RECEIVABLE TRADE

Account receivable trade as at 31st March, are as follow:

	2018
	Baht
Account receivable trade	2,808,144
Accrued income	56,575,800
Total	<u>59,383,944</u>

NOTE 5 OTHER RECEIVABLES

Other receivable as at 31st March, are as follow:

	2018	2017
	Baht	Baht
Prepaid expenses	728,331	145,521
Advance	178,181	-
Refundable value added tax	-	124,410
Prepayment income tax	68,202	103,054
Undue input vat	28,643	30,561
Total	<u>1,003,357</u>	<u>403,546</u>

NOTE 6 OTHER PAYABLES

Other payables as at 31st March, are as follow:

	2018	2017
	Baht	Baht
Accrued expenses	3,696,894	498,973
Advance from customer	535,161	590,238
Withholding tax payables	506,739	18,099
Value added tax payables	197,702	-
Undue output vat	183,710	-
Total	<u>5,120,206</u>	<u>1,107,310</u>

NOTE 7 EQUIPMENT

(Unit : Baht)

	Furniture & Fixtures	Electrical Fittings	Office Equipment	Computer Equipment	Total
Cost :					
1 st January 2017	-	-	51,121	29,449	80,570
Addition	-	-	9,900	17,675	27,575
(Disposal)	-	-	-	-	-
31 st March 2017	-	-	61,021	47,124	108,145
Addition	1,435,549	151,615	176,414	193,828	1,957,406
(Disposal)	-	-	-	-	-
31 st March 2018	1,435,549	151,615	237,435	240,952	2,065,551

Accumulated depreciation:

1 st January 2017	-	-	7,668	2,454	10,122
Addition	-	-	3,051	3,927	6,978
(Disposal)	-	-	-	-	-
31 st March 2017	-	-	10,719	6,381	17,100
Addition	52,964	5,594	25,604	22,451	106,613
(Disposal)	-	-	-	-	-
31 st March 2018	52,964	5,594	36,323	28,832	123,713

Net book value

31 st March 2017	-	-	50,302	40,743	91,045
31 st March 2018	1,382,585	146,021	201,112	212,120	1,941,838

Depreciation for the period

31 st March 2017					6,978
31 st March 2018					106,613

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NOTE 8 PROMOTIONAL PRIVILEGES

By virtue of the provisions of the Board of Investment Promotion Act B.E. 2520, the Company was granted certain promotional privileges for the Software (Enterprise Software, Digital Content and Embedded Software) according to the promotion certificate 59-1019-0-00-2-0 dated 9th August 2016 which include the exemption of income tax on earnings for a period of 8 years as from the date of earning operating income and being allowed to carry forward losses and incurred during the promotional period to the years after tax holiday period. The extension in claiming the tax losses is limited to a period of five year thereafter. As a promoted industry, the Company must comply with certain conditions and restrictions contained in the promotion certificate.

According to the notification of the Board of Investment no P.14/2541 "The presentation of revenue method" dated 30th December 1998, The Company is required to declare both the revenue from BOI promotional privileges and non BOI promotional privileges, which details are presented as below :-

	31 st March 2018	
	(Unit : Baht)	
	BOI Promotional	Non-BOI Promotional
	Taxes Privileges	Taxes Privileges
Income from sales	-	139,500,000
Income from services	21,952,375	3,141,484
Income from debt forgiveness	-	19,840,626
Exchange gain	-	2,413,433

	31 st March 2017	
	(Unit : Baht)	
	BOI Promotional	Non-BOI Promotional
	Taxes Privileges	Taxes Privileges
Income from services	-	196,746



NOTE 9 RELATED PARTY TRANSACTION

During the years, the Company had business transactions with its related companies, in respect of advance received. The outstanding transactions have been reflected under the caption of "Other payable – related company" on the statements of financial position.

NOTE 10 PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

	2018
	Baht
As at 1 st April 2017	-
Increase (decrease) during the year	71,000
As at 31 st March 2018	<u>71,000</u>

NOTE 11 INCOME FROM DEBT FORGIVENESS

During the year 2018, the Company had debt forgiveness from intercompany amounting to Baht 19.8 million. From the result of the cancellation debt, the Company recognized income from debt forgiveness in statement of income for the year ended 31st March 2018.

NOTE 12 CHANGE OF FISCAL YEAR

The financial statements for the period ended 31st March 2017 drawn up to cover three – month period as the result of the fact that the Company has changed its fiscal year-end date from 31st December to 31st March of each year, commencing from the period ended 31st March 2017. Such changes has been approved by Revenue Department on May 2016. *lh*

NOTE 13 COMMITMENTS

As at 31st March 2018, The Company had commitment under the lease agreements of approximately amount Baht 5.5 million (2017 : Baht 0.2 million).

NOTE 14 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's authorised director on 19th April 2018. *lh*