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**INTELLECT DESIGN ARENA LIMITED  
REPORT AND FINANCIAL STATEMENTS  
31<sup>st</sup> March 2021**

**Report of Independent Auditor**

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

**Opinion**

I have audited the financial statements of **INTELLECT DESIGN ARENA LIMITED**, which comprise the statement of financial position as at 31<sup>st</sup> March 2021, 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 31<sup>st</sup> March 2021 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.

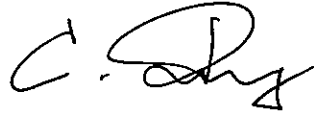
## **Auditor's Responsibilities for the Audit of the Financial Statements**

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  
23<sup>rd</sup> April 2021

**INTELLECT DESIGN ARENA LIMITED**  
**STATEMENT OF FINANCIAL POSITION**

As at 31<sup>st</sup> March 2021

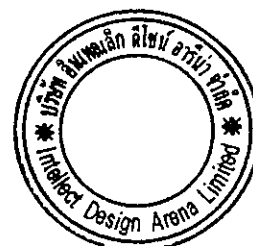
ASSETS	NOTE	2021	2020
		BAHT	
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	114,261	3,053,284
Trade receivables and other receivables	5	118,381,063	82,609,003
<b>TOTAL CURRENT ASSETS</b>		<b>118,495,324</b>	<b>85,662,287</b>
<b>NON-CURRENT ASSETS</b>			
Equipment	7	1,204,540	1,521,232
Deferred tax assets	12	1,086,500	920,000
Deposit		548,250	548,250
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,839,290</b>	<b>2,989,482</b>
<b>TOTAL ASSETS</b>		<b>121,334,614</b>	<b>88,651,769</b>



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

x Nagaj

DIRECTOR



**INTELLECT DESIGN ARENA LIMITED**  
**STATEMENT OF FINANCIAL POSITION**

As at 31<sup>st</sup> March 2021

LIABILITIES AND SHAREHOLDERS' EQUITY	NOTE	2021	2020
		BAHT	
<b>CURRENT LIABILITIES</b>			
Other payables	6	63,522,709	47,555,740
Corporate income tax payable		24,461	-
Loan from related company	10	12,276,054	-
<b>TOTAL CURRENT LIABILITIES</b>		<u>75,823,224</u>	<u>47,555,740</u>
<b>NON - CURRENT LIABILITY</b>			
Provision for long - term employee benefits	9	5,432,500	4,600,000
<b>TOTAL NON - CURRENT LIABILITY</b>		<u>5,432,500</u>	<u>4,600,000</u>
<b>TOTAL LIABILITIES</b>		<u>81,255,724</u>	<u>52,155,740</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital			
Registered			
4,470,000 ordinary shares of Baht 5 each		<u>22,350,000</u>	<u>22,350,000</u>
Issued and paid up			
4,470,000 ordinary shares of Baht 5 each		22,350,000	22,350,000
Retained earnings		<u>17,728,890</u>	<u>14,146,029</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<u>40,078,890</u>	<u>36,496,029</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u>121,334,614</u>	<u>88,651,769</u>

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

*X Nagaaj*  
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DIRECTOR

**INTELLECT DESIGN ARENA LIMITED**

**STATEMENT OF EARNINGS**

For the year ended 31<sup>st</sup> March 2021

		2021	2020
<b>REVENUES</b>	<b>NOTE</b>		<b>BAHT</b>
Income from services		58,679,297	56,442,939
<b>TOTAL REVENUES</b>		<u>58,679,297</u>	<u>56,442,939</u>
<b>EXPENSES</b>			
Cost of services		47,461,691	43,529,014
Selling expenses		770,815	974,657
Administrative expenses		6,822,941	9,177,146
<b>TOTAL EXPENSES</b>		<u>55,055,447</u>	<u>53,680,817</u>
<b>EARNINGS BEFORE FINANCIAL EXPENSES AND TAX</b>		<u>3,623,850</u>	<u>2,762,122</u>
<b>FINANCIAL EXPENSES</b>		(80,702)	(230,216)
<b>EARNINGS BEFORE INCOME TAX</b>		<u>3,543,148</u>	<u>2,531,906</u>
<b>INCOME TAX (EXPENSE) INCOME</b>	12	<u>39,713</u>	<u>357,775</u>
<b>NET EARNINGS FOR THE YEAR</b>		<u><u>3,582,861</u></u>	<u><u>2,889,681</u></u>

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



*X* Nogaj

DIRECTOR

**INTELLECT DESIGN ARENA LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**For the year ended 31<sup>st</sup> March 2021**

	Ordinary Shares		BAHT
	Issued and paid-up	Retained earnings	Total
Balance as at 1 <sup>st</sup> April 2019	22,350,000	11,256,348	33,606,348
Net earnings for the year	-	2,889,681	2,889,681
Balance as at 31 <sup>st</sup> March 2020	22,350,000	14,146,029	36,496,029
Net earnings for the year	-	3,582,861	3,582,861
Balance as at 31 <sup>st</sup> March 2021	22,350,000	17,728,890	40,078,890

*[Handwritten Signature]*

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

X *Nagraj* DIRECTOR





**INTELLECT DESIGN ARENA LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the year ended 31<sup>st</sup> March 2021**

**NOTE 1      GENERAL INFORMATION**

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

The Company registered address is located at 100/42 Sathorn Nakorn Tower, 23<sup>rd</sup> 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 1<sup>st</sup> January 2011 onward, and the Company has also adopted Thai Accounting Standard 12 Income Taxes. Their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28<sup>th</sup> September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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 services are recognized when services have been rendered taking into account the stage of completion.

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

### **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 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

#### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

#### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax based on assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognize deferred tax liabilities for all taxable temporary difference while its recognize deferred tax assets for all deductible temporary difference and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary difference and tax losses carried forward can be utilised.

At each reporting date, the Company review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

### 3.7 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 CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 31<sup>st</sup> March, are as follow:

	2021	2020
	Baht	Baht
Cash at bank - current account	114,261	3,053,284
Total	114,261	3,053,284



**NOTE 5 TRADE RECEIVABLES AND OTHER RECEIVABLES**

Trade receivables and other receivable as at 31<sup>st</sup> March, are as follow:

	2021	2020
	Baht	Baht
Trade receivables	51,870,492	8,813,073
Accrued income	65,849,921	71,732,226
Other receivables - related company	-	207,203
Undue input vat	5,690	1,056,697
Prepaid expenses	321,425	310,067
Prepayment income tax	333,535	333,535
Advance	-	156,202
Total	<u>118,381,063</u>	<u>82,609,003</u>

**NOTE 6 OTHER PAYABLES**

Other payables as at 31<sup>st</sup> March, are as follow:

	2021	2020
	Baht	Baht
Other payable - related company	54,166,391	41,117,808
Accrued expenses	4,012,836	4,335,979
Undue output vat	3,541,732	682,009
Advance from customer	1,106,631	855,969
Withholding tax payables	549,646	563,975
Value added tax payable	145,473	-
Total	<u>63,522,709</u>	<u>47,555,740</u>



**NOTE 7      EQUIPMENT**

(Unit : Baht)

	Furniture & Fixtures	Electrical Fittings	Office Equipment	Computer Equipment	Total
<b>Cost :</b>					
31 <sup>st</sup> March 2019	1,435,549	151,615	237,435	419,545	2,244,144
Addition	-	-	-	-	-
(Disposal)	-	-	-	-	-
31 <sup>st</sup> March 2020	1,435,549	151,615	237,435	419,545	2,244,144
Addition	-	-	-	-	-
(Disposal)	-	-	-	-	-
31 <sup>st</sup> March 2021	1,435,549	151,615	237,435	419,545	2,244,144
<b>Accumulated depreciation:</b>					
31 <sup>st</sup> March 2019	196,519	20,756	83,810	104,565	405,650
Addition	143,556	15,161	47,486	111,059	317,262
(Disposal)	-	-	-	-	-
31 <sup>st</sup> March 2020	340,075	35,917	131,296	215,624	722,912
Addition	143,555	15,161	47,487	110,489	316,692
(Disposal)	-	-	-	-	-
31 <sup>st</sup> March 2021	483,630	51,078	178,783	326,113	1,039,604
<b>Net book value</b>					
31 <sup>st</sup> March 2020	1,095,474	115,698	106,139	203,921	1,521,232
31 <sup>st</sup> March 2021	951,919	100,537	58,652	93,432	1,204,540


**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 9<sup>th</sup> 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 30<sup>th</sup> 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 <sup>st</sup> March 2021	(Unit : Baht)
	BOI Promotional	Non - BOI Promotional
	Taxes Privileges	Taxes Privileges
Income from services	57,487,358	1,191,939

	31 <sup>st</sup> March 2020	(Unit : Baht)
	BOI Promotional	Non - BOI Promotional
	Taxes Privileges	Taxes Privileges
Income from services	55,431,640	1,011,299 

**NOTE 9 PROVISION FOR LONG - TERM EMPLOYEE BENEFITS**

	2021	2020
	Baht	Baht
As at 1 <sup>st</sup> April	4,600,000	2,248,000
Increase (decrease) during the year	832,500	2,352,000
As at 31 <sup>st</sup> March	5,432,500	4,600,000

**NOTE 10 LOAN FROM RELATED COMPANY**

Loans from related company represent unsecured loans denominated in Singapore Dollars and US Dollars. The loans bear interest at the rate of 2 percent per annum and due on demand.

**NOTE 11 COMMITMENTS**

As at 31<sup>st</sup> March 2021, The Company had commitment under the lease agreements of approximately amount Baht 5.3 million (2020 : Baht 1.7 million).

**NOTE 12 INCOME TAX AND DEFERRED TAX ASSETS**

The Company uses income tax rate of 20% for the calculation of corporate income tax for the year 2021 and 2020 which is calculated based on the provisions of the Revenue Codes with the consideration of promotional privileges as described in Note 8.

	2021	2020
	Baht	Baht
Income tax on taxable profit	126,787	112,625
Decrease (increase) in deferred tax assets	(166,500)	(470,400)
Income tax expense (income) presented in statement of earnings	(39,713)	(357,775)



**NOTE 12 INCOME TAX AND DEFERRED TAX ASSETS (CONTINUE)**

Movements of deferred tax assets during the years are as follows:

	(Charged)/credited to			Unit : Baht
	1 <sup>st</sup> April 2020	Earnings or loss	Comprehensive income	31 <sup>st</sup> March 2021
Employee benefit obligations	920,000	166,500	-	1,086,500
<b>Total</b>	<b>920,000</b>	<b>166,500</b>	<b>-</b>	<b>1,086,500</b>

	(Charged)/credited to			Unit : Baht
	1 <sup>st</sup> April 2019	Earnings or loss	Comprehensive income	31 <sup>st</sup> March 2020
Employee benefit obligations	449,600	470,400	-	920,000
<b>Total</b>	<b>449,600</b>	<b>470,400</b>	<b>-</b>	<b>920,000</b>

Reconciliation of the accounting profit and income tax expenses are as follows:

	2021	2020
	Baht	Baht
Profit per accounting basis	3,543,148	2,531,906
Income tax rate (percentage)	20	20
Income tax expense	708,630	506,381
Reconciling item :		
Non-deductible expense	850,717	470,400
Exempt income tax for the promoted business	(1,432,560)	(864,156)
Income tax on taxable profit	126,787	112,625
Decrease (increase) in deferred tax assets		
Changes in temporary differences	(166,500)	(470,400)
Income tax (income) expense presented in statement of earnings	(39,713)	(357,775)

**NOTE 13 APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were authorized for issue by the Company's authorized director on 23<sup>rd</sup> April 2021.

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