

**OFFICE COPY
(Please return)**

**INTELLECT DESIGN ARENA LIMITED
REPORT AND FINANCIAL STATEMENTS
31st March 2023**

Report of Independent AuditorTo 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 31st March 2023, 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 2023 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 Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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
4th May 2023

INTELLECT DESIGN ARENA LIMITED
STATEMENT OF FINANCIAL POSITION

As at 31st March 2023

ASSETS	NOTE	2023	2022
		BAHT	
CURRENT ASSETS			
Cash and cash equivalents	4	969,976	797,166
Trade and other receivables	5	135,962,406	103,647,386
TOTAL CURRENT ASSETS		136,932,382	104,444,552
NON-CURRENT ASSETS			
Equipment	7	903,104	976,172
Deferred tax assets	12	1,004,636	862,726
Deposit		537,250	548,250
TOTAL NON-CURRENT ASSETS		2,444,990	2,387,148
TOTAL ASSETS		139,377,372	106,831,700

Handwritten mark

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

X Nagai

DIRECTOR



INTELLECT DESIGN ARENA LIMITED
STATEMENT OF FINANCIAL POSITION

As at 31st March 2023

LIABILITIES AND SHAREHOLDERS' EQUITY	NOTE	2023	2022
		BAHT	
CURRENT LIABILITIES			
Other payables	6	43,329,890	40,960,234
Corporate income tax payable		758,365	619,491
Loan from related company	10	43,645,865	17,667,441
TOTAL CURRENT LIABILITIES		<u>87,734,120</u>	<u>59,247,166</u>
NON - CURRENT LIABILITY			
Provision for long - term employee benefits	9	5,023,179	4,313,630
TOTAL NON - CURRENT LIABILITY		<u>5,023,179</u>	<u>4,313,630</u>
TOTAL LIABILITIES		<u>92,757,299</u>	<u>63,560,796</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			
4,470,000 ordinary shares of Baht 5 each		22,350,000	22,350,000
Retained earnings		24,270,073	20,920,904
TOTAL SHAREHOLDERS' EQUITY		<u>46,620,073</u>	<u>43,270,904</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>139,377,372</u>	<u>106,831,700</u>

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

X *Nagala*

DIRECTOR



INTELLECT DESIGN ARENA LIMITED

STATEMENT OF EARNINGS

For the year ended 31st March 2023

		2023	2022
REVENUES	NOTE	BAHT	
Income from services		42,399,957	39,316,170
Other income		94	-
TOTAL REVENUES		<u>42,400,051</u>	<u>39,316,170</u>
EXPENSES			
Cost of services		26,845,254	25,981,963
Selling expenses		3,232,244	3,544,844
Administrative expenses		7,329,935	5,393,121
TOTAL EXPENSES		<u>37,407,433</u>	<u>34,919,928</u>
EARNINGS BEFORE FINANCIAL EXPENSES AND TAX		4,992,618	4,396,242
FINANCIAL EXPENSES		(797,531)	(271,349)
EARNINGS BEFORE INCOME TAX		4,195,087	4,124,893
INCOME TAX (EXPENSE) INCOME	12	(845,918)	(932,879)
NET EARNINGS FOR THE YEAR		<u>3,349,169</u>	<u>3,192,014</u>

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

* Nagaet DIRECTOR



INTELLECT DESIGN ARENA LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the year ended 31st March 2023

	Ordinary Shares		BAHT
	Issued and paid-up	Retained earnings	Total
Balance as at 31 st March 2021	22,350,000	17,728,890	40,078,890
Net earnings for the year	-	3,192,014	3,192,014
Balance as at 31 st March 2022	22,350,000	20,920,904	43,270,904
Net earnings for the year	-	3,349,169	3,349,169
Balance as at 31 st March 2023	<u>22,350,000</u>	<u>24,270,073</u>	<u>46,620,073</u>

[Handwritten signature]

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

X Naga
[Handwritten signature]

DIRECTOR



INTELLECT DESIGN ARENA LIMITED
NOTES TO FINANCIAL STATEMENTS
For the year ended 31st March 2023

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.

The Company registered address is 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 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 28th 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.

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 10 - 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 recognized 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 31st March, are as follow:

	2023	2022
	Baht	Baht
Cash at bank - current account	969,976	797,166
Total	969,976	797,166

NOTE 5 TRADE AND OTHER RECEIVABLESTrade and other receivable as at 31st March, are as follow:

	2023	2022
	Baht	Baht
Trade receivable:-		
Trade receivables	3,102,466	8,132,354
Accrued income	85,507,015	58,395,724
Accrued income – related company	46,873,792	36,380,474
Total trade receivable	<u>135,483,273</u>	<u>102,908,552</u>
Other receivables:-		
Prepaid expenses	295,004	353,784
Advance	182,783	-
Prepayment income tax	-	333,536
Undue input vat	1,346	51,514
Total other receivables	<u>479,133</u>	<u>738,834</u>
Total trade and other receivable	<u>135,962,406</u>	<u>103,647,386</u>

NOTE 6 OTHER PAYABLESOther payables as at 31st March, are as follow:

	2023	2022
	Baht	Baht
Other payable	17,140	57,030
Other payable - related company	36,555,039	34,515,561
Accrued expenses	4,168,368	4,180,599
Undue output vat	208,560	532,023
Advance from customer	1,691,384	1,259,555
Withholding tax payables	555,342	415,466
Value added tax payable	134,057	-
Total other payables	<u>43,329,890</u>	<u>40,960,234</u>



NOTE 7 EQUIPMENT

(Unit : Baht)

	Furniture & Fixtures	Electrical Fittings	Office Equipment	Computer Equipment	Total
Cost :					
31 st March 2021	1,435,549	151,615	237,435	419,545	2,244,144
Addition	-	-	-	54,000	54,000
(Disposal)	-	-	-	-	-
31 st March 2022	1,435,549	151,615	237,435	473,545	2,298,144
Addition	-	-	-	191,854	191,854
(Disposal)	-	-	-	-	-
31 st March 2023	1,435,549	151,615	237,435	665,399	2,489,998
Accumulated depreciation:					
31 st March 2021	483,630	51,078	178,783	326,113	1,039,604
Addition	143,555	15,161	37,263	86,389	282,368
(Disposal)	-	-	-	-	-
31 st March 2022	627,185	66,239	216,046	412,502	1,321,972
Addition	143,555	15,161	21,378	84,828	264,922
(Disposal)	-	-	-	-	-
31 st March 2023	770,740	81,400	237,424	497,330	1,586,894
Net book value					
31 st March 2022	808,364	85,376	21,389	61,043	976,172
31 st March 2023	664,809	70,215	11	168,069	903,104


Handwritten signature

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 2023	
	(Unit : Baht)	
	BOI Promotional	Non - BOI Promotional
	Taxes Privileges	Taxes Privileges
Income from services	33,328,425	9,071,532
Other income	-	94

	31 st March 2022	
	(Unit : Baht)	
	BOI Promotional	Non - BOI Promotional
	Taxes Privileges	Taxes Privileges
Income from services	1,565,924	37,750,246 

NOTE 9 PROVISION FOR LONG - TERM EMPLOYEE BENEFITS

	2023	2022
	Baht	Baht
As at 1 st April	4,313,630	5,432,500
Increase (decrease) during the year	709,549	(1,118,870)
As at 31 st March	5,023,179	4,313,630

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 - 3.5 percent per annum and due on demand.

NOTE 11 COMMITMENTS

As at 31st March 2023, The Company had commitment under the lease agreements of approximately amount Baht 1.2 million (2022 : Baht 3.3 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 2023 and 2022 which is calculated based on the provisions of the Revenue Codes with the consideration of promotional privileges as described in Note 8.

	2023	2022
	Baht	Baht
Income tax on taxable profit	987,828	709,105
Decrease (increase) in deferred tax assets	(141,910)	223,774
Income tax expense (income) presented in statement of earnings	845,918	932,879

NOTE 12 INCOME TAX AND DEFERRED TAX ASSETS (CONTINUE)

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

Unit : Baht

	(Charged)/credited to			31 st March 2023
	1 st April 2022	Earnings or loss	Comprehensive income	
Employee benefit obligations	862,726	141,910		1,004,636
Total	862,726	141,910		1,004,636

Unit : Baht

	(Charged)/credited to			31 st March 2022
	1 st April 2021	Earnings or loss	Comprehensive income	
Employee benefit obligations	1,086,500	(223,774)	-	862,726
Total	1,086,500	(223,774)	-	862,726

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

	2023	2022
	Baht	Baht
Profit per accounting basis	4,195,087	4,124,893
Income tax rate (percentage)	20	20
Income tax expense	839,017	824,979
Reconciling item :		
Non-deductible expense	148,811	(115,874)
Exempt income tax for the promoted business	-	-
Income tax on taxable profit	987,828	709,105
Decrease (increase) in deferred tax assets		
Changes in temporary differences	(141,910)	223,774
Income tax (income) expense presented in statement of earnings	845,918	932,879

NOTE 13 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's authorized director on 4th May 2023.

A handwritten signature in black ink, consisting of several stylized, overlapping strokes, positioned at the end of the text block.