

**BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021**  
**AND INDEPENDENT AUDITOR'S REPORT ON REVIEW**  
**OF INTERIM FINANCIAL INFORMATION**

**Independent Auditor's Report on Review of Interim Financial Information**

To the Board of Directors of Boutique Newcity Public Company Limited

I have reviewed the accompanying statements of financial position of Boutique Newcity Public Company Limited as at March 31, 2021; statements of comprehensive income, changes in equity and cash flows for the three-month period then ended; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

๓๓๗

Emphasis of Matter

I draw attention to Note 2.3 to the interim financial statements. The Coronavirus disease 2019 pandemic currently affects the Company's business activities in terms of revenue from sales, and this is significantly impacting the Company's financial position, operating results, and cash flows at present, and is expected to do so in the future. The Company's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved. My conclusion is not modified in respect of this matter.



(Ms. Nonglak Pattanabandith)  
Certified Public Accountant  
Registration No. 4713

Karin Audit Company Limited  
Bangkok  
May 14, 2021

**BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED****STATEMENTS OF FINANCIAL POSITION****AS AT MARCH 31, 2021**

		Unit : Thousand Baht	
		March 31, 2021	December 31, 2020
		"Unaudited"	"Audited"
	Note	"Reviewed"	
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		6,273	5,776
Trade accounts receivable	4	24,211	31,076
Other current receivables	3	8,376	6,627
Inventories		192,612	208,173
Other current assets		13,172	15,625
Total current assets		<u>244,644</u>	<u>267,277</u>
<b>Non-current assets</b>			
Other non-current financial assets	5	72,255	71,285
Investment properties	6	72,295	72,295
Property, plant and equipment	7	45,573	47,769
Right-of-use assets	8	88,241	93,566
Intangible assets		1,863	1,788
Deferred tax assets		37,332	34,171
Other non-current assets		45,147	45,282
Total non-current assets		<u>362,706</u>	<u>366,156</u>
<b>Total assets</b>		<b><u>607,350</u></b>	<b><u>633,433</u></b>

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

**BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT MARCH 31, 2021**

		Unit : Thousand Baht	
		March 31, 2021	December 31, 2020
		"Unaudited"	"Audited"
	Note	"Reviewed"	
<b>Liabilities and equity</b>			
<b>Current liabilities</b>			
Bank overdrafts and short-term borrowings			
from financial institutions		82,114	80,000
Trade accounts payable	3	5,102	3,686
Other payables	3	24,547	19,702
Current portion of lease liabilities	8	20,447	20,198
Short-term loans from a related party	3	-	21,000
Other current liabilities		7,812	7,415
<b>Total current liabilities</b>		<b>140,022</b>	<b>152,001</b>
<b>Non-current liabilities</b>			
Lease liabilities	8	62,531	66,782
Non-current provisions for employee benefit		9,446	9,298
Other non-current provisions		4,971	5,327
<b>Total non-current liabilities</b>		<b>76,948</b>	<b>81,407</b>
<b>Total liabilities</b>		<b>216,970</b>	<b>233,408</b>
<b>Equity</b>			
Share capital			
Authorized share capital			
25,000,000 common shares, Baht 10 par value		250,000	250,000
Issued and paid-up share capital			
12,000,000 common shares, Baht 10 par value		120,000	120,000
Premium on ordinary shares		279,256	279,256
Retained earnings			
Appropriated - legal reserve		8,060	8,060
Unappropriated		(5,363)	5,058
Other component of equity		(11,573)	(12,349)
<b>Total equity</b>		<b>390,380</b>	<b>400,025</b>
<b>Total liabilities and equity</b>		<b>607,350</b>	<b>633,433</b>

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

**BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021**

"Unaudited"

"Reviewed"

		Unit : Thousand Baht	
	Note	2021	2020
<b>Revenues</b>			
Revenues from sales		55,267	91,044
Revenues from services	3	23,179	15,671
Other income	3	2,149	2,781
<b>Total revenues</b>		<b>80,595</b>	<b>109,496</b>
<b>Expenses</b>			
Cost of sales of goods		26,530	64,776
Cost of rendering of services		16,233	10,364
Distribution costs		40,021	64,052
Administrative expenses		10,146	13,672
Finance costs		1,441	5,550
<b>Total expenses</b>	3	<b>94,371</b>	<b>158,414</b>
<b>Profit (loss) before income tax expense</b>		<b>(13,776)</b>	<b>(48,918)</b>
Tax expense (income)		(3,355)	(9,428)
<b>Profit (loss) for the period</b>		<b>(10,421)</b>	<b>(39,490)</b>
<b>Other comprehensive income</b>			
Item that will not be reclassified to profit or loss			
Gain (loss) on investments in equity instruments designated at FVOCI		970	(257)
Tax expense (income)		194	(51)
<b>Other comprehensive income for the period, net of tax</b>		<b>776</b>	<b>(206)</b>
<b>Total comprehensive income for the period</b>		<b>(9,645)</b>	<b>(39,696)</b>
<b>Basic earnings (loss) per share (in Baht)</b>		<b>(0.87)</b>	<b>(3.29)</b>
<b>Weighted average number of ordinary shares (thousand shares)</b>		<b>12,000</b>	<b>12,000</b>

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



BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED

"Unaudited"

STATEMENTS OF CHANGES IN EQUITY

"Reviewed"

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

Unit : Thousand Baht

	Issued and paid-up share capital	Share premium	Retained earnings			Other component of equity		Total equity
			Legal reserve	Unappropriated	Investments held as available for sale			
<b>Balance at January 1, 2021</b>	<b>120,000</b>	<b>279,256</b>	<b>8,060</b>	<b>5,058</b>	<b>(12,349)</b>		<b>400,025</b>	
Comprehensive income for the period :								
Profit or loss	-	-	-	(10,421)	-		(10,421)	
Other comprehensive income	-	-	-	-	776		776	
Total comprehensive income for the period	-	-	-	(10,421)	776		(9,645)	
<b>Balance at March 31, 2021</b>	<b>120,000</b>	<b>279,256</b>	<b>8,060</b>	<b>(5,363)</b>	<b>(11,573)</b>		<b>390,380</b>	
<b>Balance at January 1, 2020</b>	<b>120,000</b>	<b>279,256</b>	<b>8,060</b>	<b>54,208</b>	<b>(4,916)</b>		<b>456,608</b>	
Comprehensive income for the period :								
Profit or loss	-	-	-	(39,490)	-		(39,490)	
Other comprehensive income	-	-	-	-	(206)		(206)	
Total comprehensive income for the period	-	-	-	(39,490)	(206)		(39,696)	
<b>Balance at March 31, 2020</b>	<b>120,000</b>	<b>279,256</b>	<b>8,060</b>	<b>14,718</b>	<b>(5,122)</b>		<b>416,912</b>	

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

**BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021**

"Unaudited"

"Reviewed"

	Unit : Thousand Baht	
	2021	2020
<b>Cash flows from operating activities</b>		
Profit (loss) before income tax	(13,776)	(48,918)
Adjustments to reconcile profit (loss) to cash provided (used in) operating activities :		
Trade accounts receivable (increase) decrease	6,462	29,250
Other receivables (increase) decrease	(1,749)	(26)
Inventories (increase) decrease	15,561	14,789
Other current assets (increase) decrease	620	(1,824)
Other non-current assets (increase) decrease	134	410
Trade accounts payable increase (decrease)	1,415	(2,759)
Other payables increase (decrease)	4,846	11,714
Other current liabilities increase (decrease)	398	751
Non-current provisions for employee benefit	148	292
Other non-current provisions increase (decrease)	(355)	-
Depreciation and amortization	9,879	30,360
Loss on written off equipment	260	-
Bad and doubtful debts expenses	403	-
Loss from decline in value of inventories (reversal)	-	17,280
Cash from operating activities	24,246	51,319
Interest expenses	1,441	5,550
Tax paid	(78)	(114)
<b>Net cash from (used in) operating activities</b>	<b>25,609</b>	<b>56,755</b>

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



**BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021**

"Unaudited"

"Reviewed"

	Unit : Thousand Baht	
	2021	2020
<b>Cash flows from investing activities</b>		
Acquisition of property, plants and equipment	(241)	(633)
Payment of right-of-use assets	(317)	(2,574)
Payment of intangible assets	(225)	(201)
<b>Net cash from (used in) investing activities</b>	<b>(783)</b>	<b>(3,408)</b>
<b>Cash flows from financing activities</b>		
Overdrafts and short-term borrowings from financial institutions increase (decrease)	2,114	(12,936)
Payment from short-term borrowings from related parties	(21,000)	-
Payment of lease liabilities	(4,002)	(22,475)
Interest paid	(1,441)	(5,550)
<b>Net cash from (used in) financing activities</b>	<b>(24,329)</b>	<b>(40,961)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>497</b>	<b>12,386</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>5,776</b>	<b>7,679</b>
<b>Cash and cash equivalents at ending of period</b>	<b>6,273</b>	<b>20,065</b>

**Supplemental disclosures of cash flow information:**

**Non-cash transactions**

**For the three-month period ended March 31, 2020**

The Company reclassified investment in an associate to investments in equity instrument - related company of Baht 20.3 million.

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

## **1 General information**

Boutique Newcity Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1112/53-75 Soi Sukhumvit 48 (Piyavat), Sukhumvit Road, Phra Khanong, Khlong Toei, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in November 1987.

The Company’s major shareholders during the financial period were Pavarolavidya Group 54% shareholding.

The principal activities of the Company are engaged in garments retail business.

## **2 Basis of interim financial statement preparation and principles**

### **2.1 Basis for interim financial statement preparation**

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 34 : “Interim financial reporting”, whereby the Company chooses to present condensed interim financial statements. However, additional line items are presented in the financial statements to bring them into the full format similar to the annual financial statements.

The interim financial statements are prepared to provide information in addition to those included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances to avoid repetition of information previously reported. These interim financial statements should, therefore, be read in conjunction with the financial statements for the year ended December 31, 2020.

The interim financial statements are officially prepared in Thai language. The translation of these statutory financial statements to other language must conform to the Thai financial report.

### **2.2 Significant accounting policies**

These interim financial statements have been prepared by using the same accounting policies and methods of computation as were used in the preparation of the financial statements for the year ended December 31, 2020.

Financial reporting standards that became effective in the current period

During the period, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company’s financial statements.

Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2022

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standard 16 Leases that provide temporary exemptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company’s financial statements.

### **2.3 Coronavirus disease 2019 Pandemic**

The Coronavirus disease 2019 pandemic currently affects the Company’s business activities in terms of revenue from sales, and this is significantly impacting the Company’s financial position, operating results, and cash flows at present, and is expected to do so in the future. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

### **3 Related parties**

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company
Mrs. Sirina Pavarolavidya	Thai	Director of related companies
Mr. Panitarn Pavarolavidya	Thai	Major of shareholder and director
Mrs. Pravara Ekaraphanich	Thai	Major of shareholder and director
Thanara Co., Ltd.	Thailand	Common shareholder and directors
Siratarn Co., Ltd.	Thailand	Common shareholder and directors
Varatarn Co., Ltd.	Thailand	Common shareholders and directors
BTFA Co., Ltd.	Thailand	Common shareholders and directors
Panivara Co., Ltd.	Thailand	Common shareholders and directors
Choksamakee Co., Ltd.	Thailand	Common shareholders and directors
Saha Pathana Inter-Holding Plc.	Thailand	Common shareholders

Name of entities	Country of	Nature of relationships
	incorporation/ nationality	
I.C.C. International Plc.	Thailand	Common shareholders
Sirinapavarolavidya Foundation	Thailand	Common directors
Love Mom Association	Thailand	Common directors
International Fashion Business Technological College	Thailand	Common directors

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Revenue from sales	Cost plus margin
Other income	Cost plus margin
Purchase of goods	Cost plus margin
Interest expense	Borrowing interest rate from finance institutions
Key management personnel compensation	As defined by the nomination and remuneration committee
Distribution costs and administrative expenses	Mutually agreed price

Significant transactions for the three-month periods ended March 31, 2021 and 2020 with related parties were as follows:

	Unit : Thousand Baht	
	2021	2020
<b>Other related parties</b>		
Revenue from services	20	-
Other income	140	24
Purchase of goods	26,165	38,644
Distribution costs	1,129	3,688
Administrative expenses	630	1,260
Interest expense	99	350
<b>Key management personnel</b>		
Key management personnel compensation		
Short-term benefits	911	1,248
Post-employment benefits	20	45
Total key management personnel compensation	931	1,293



MARCH 31, 2021

Balances as at March 31, 2021 and December 31, 2020 with related parties were as follows:

	Unit : Thousand Baht	
	March 31, 2021	December 31, 2020
<b>Trade accounts receivable</b>		
Other related parties	-	12,351
<b>Other accounts receivable</b>		
Other related parties	-	2,473
<b>Trade accounts payable</b>		
Other related parties	4,688	2,740
<b>Other accounts payable</b>		
Other related parties	3,004	2,813

	Interest rate (% per annum)		Unit : Thousand Baht	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
<b>Short-term loans from related party</b>				
Mrs. Sirina Pavarolavidya	-	2.40 - 3.60	-	21,000
<b>Total</b>			<b>-</b>	<b>21,000</b>

Movements during the three-month period ended March 31, 2021 of short-term loans from related parties were as follows:

	Unit : Thousand Baht
At January 1, 2021	21,000
Decrease	(21,000)
<b>At March 31, 2021</b>	<b>-</b>

**4 Trade accounts receivable**

	Note	Unit : Thousand Baht	
		March 31, 2021	December 31, 2020
Related parties	3	-	12,351
Other companies		32,075	26,186
<b>Total</b>		<b>32,075</b>	<b>38,537</b>
Less allowance for expected credit loss		(7,864)	(7,461)
<b>Net</b>		<b>24,211</b>	<b>31,076</b>
Bad and doubtful debts expenses for the three-month period ended 31 March		403	-

**BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**MARCH 31, 2021**

“Unaudited”  
“Reviewed”

Aging analyses for trade accounts receivable were as follows:

	Unit : Thousand Baht	
	March 31, 2021	December 31, 2020
<b>Related parties</b>		
Overdue:		
Less than 3 months	-	12,351
Total	-	12,351
<b>Other parties</b>		
Within credit terms	21,913	16,183
Overdue:		
Less than 3 months	1,763	1,551
3-6 months	473	620
6-12 months	114	589
Over 12 months	7,812	7,243
	32,075	26,186
Less allowance for expected credit loss	(7,864)	(7,461)
<b>Net</b>	<b>24,211</b>	<b>18,725</b>

The normal credit term granted by the Company ranges from 30 days to 90 days.

**5 Other non-current financial assets**

Other non-current financial assets as at March 31, 2021 were as follows:

	Unit : Thousand Baht
Investment in equity instruments of	
Listed company	1,504
Non- listed companies	
Related parties	53,103
Other parties	17,648
	70,751
<b>Total</b>	<b>72,255</b>

Movements during the three-month period ended March 31, 2021 were as follows:

	Unit : Thousand Baht
At January 1, 2021	71,285
Valuation adjustment	970
<b>At March 31, 2021</b>	<b>72,255</b>



**BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**MARCH 31, 2021**

“Unaudited”  
“Reviewed”

Investment in equity instruments of non- listed companies as at March 31, 2021 were as follows:

		Unit : Thousand Baht			
	Type of business	Ownership interest (%)	Paid-up capital	Carrying amount	Dividend income
<b>Related parties</b>					
Panivara Co., Ltd.	Hotel	18.66	284,000	8,667	-
Choksamakee Co., Ltd.	Property for rent	16.68	116,000	44,436	-
				<u>53,103</u>	<u>-</u>
<b>Other parties</b>					
Others				17,648	-
<b>Total</b>				<u><b>70,751</b></u>	<u><b>-</b></u>

**6 Investment properties**

Investment properties as at March 31, 2021 were as follows:

	Unit : Thousand Baht	
	Cost	Fair value
Land	72,295	306,874

Fair values of land are appraised values the Government agency, level 2 of fair values hierarchy.

**7 Property, plant and equipment**

Movements during the three-month period ended March 31, 2021 were as follows:

	Unit : Thousand Baht
Net carrying value at January 1, 2021	47,769
Purchases	240
Disposals	(260)
Depreciation for the period	(2,176)
<b>Net carrying value at March 31, 2021</b>	<u><b>45,573</b></u>

The gross amount of the Company’s fully depreciated property and equipment that was still in use as at March 31, 2021 amounted to Baht 171.2 million ( December 31, 2020 : Baht 170.9 million).

**BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**MARCH 31, 2021**

“Unaudited”  
“Reviewed”

**8 Leases**

Movements of the right-of-use assets during the three-month period ended March 31, 2021 are summarised below.

	Unit : Thousand Baht
Net book value as at January 1, 2021	93,566
Increase during period	317
Depreciation for the period	(5,642)
<b>Net book value as at March 31, 2021</b>	<b>88,241</b>

Movements of lease liabilities during the three-month period ended March 31, 2021 are summarised below.

	Unit : Thousand Baht
At January 1, 2021	86,980
Accretion of interest	843
Payments	(4,845)
<b>At March 31, 2021</b>	<b>82,978</b>
Less current portion	20,447
<b>Lease liabilities - net of current portion</b>	<b>62,531</b>

The following are the amounts recognised in profit or loss for the three-month period ended March 31, 2021

	Unit : Thousand Baht
Depreciation of right-of-use assets	5,642
Interest expense on lease liabilities	843
Expense relating to short-term lease	3,062
Variable lease payments based on sales	1,772
<b>Total</b>	<b>11,319</b>

**BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED**

**NOTES TO INTERIM FINANCIAL STATEMENTS**

**MARCH 31, 2021**

“Unaudited”

“Reviewed”

**9 Segment information**

**Information about reportable segment:**

**Business segments**

The Company’s operations mainly involve retail business. Management considers that the financial information of the Company by business segments for the three-month periods ended March 31, 2021 and 2020 is as follows:

	Unit : Thousand Baht						Total reportable segments					
	Domestic retail		Online		Foreign retail		Uniform		Others			
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020		
Revenues from sales and services	36,155	72,452	17,565	15,482	877	2,546	23,180	15,606	669	629	78,446	106,715
Cost of sales and services	15,911	54,401	9,575	8,258	451	1,984	16,233	9,953	593	544	42,763	75,140
Segment profit before income tax	20,244	18,051	7,990	7,224	426	562	6,947	5,653	76	85	35,683	31,575
Unallocated amounts of revenue and expenses:												
Other income											2,149	2,781
Distribution costs											(40,021)	(64,052)
Administrative expenses											(10,146)	(13,672)
Financial cost											(1,441)	(5,550)
Tax (expense) income											3,355	9,428
Profit (loss) for the period											(10,421)	(39,490)
Segment assets as at 31 December											607,350	633,433
Segment liabilities as at 31 December											216,970	233,408

**Geographical segments**

The Company operates principally in Thailand.

**10 Fair value of financial instruments**

Most of the Company’s financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments are estimated to approximate their fair value in the statements of financial position.

Financial assets measured at fair value in the statements of financial position as follows:

	Unit : Thousand Baht			
	Level 1	Level 2	Level 3	Total
<b>March 31, 2021</b>				
Other non-current financial assets - investments in equity instruments of				
Listed company	1,504	-	-	1,504
Non - listed companies	-	-	70,751	70,751
	<u>1,504</u>	<u>-</u>	<u>70,751</u>	<u>72,255</u>

During the current period, there were no changes in the methods and assumptions used in determining the fair value of financial instruments and no transfers within the fair value hierarchy.

**11 Commitment and contingent liabilities**

11.1 As at March 31, 2021, the Company has guarantee for overdraft lines to two local financial institutions for a related company amounting to Baht 7.0 million (December 31, 2020: Baht 11.0 million).

11.2 As at March 31, 2021, the Company had contingent liabilities for letters of guarantees with several financial institutions, principally guarantee for a lease agreement with the company and of guarantee for utilities totaling Baht 14.0 million (December 31, 2020: Baht 10.3 million).

11.3 On July 9, 2015 the Company has entered into the service agreement with a local company in order to get provision of consulting services on implementation and integrating programs development, total fee of this agreement is Baht 13.1 million. Presently, the Company paid up fee and other service together of Baht 12.2 million. This amount was recorded under intangible assets.

On August 31, 2018, The Company as a plaintiff sued a counterparty and another company as defendants, the allegation about service provider has breached of contract. The Company claimed for return all paid up amount and recover damages totaling of Baht 35.2 million, plus interest 7.5% of Baht 33.1 million since prosecution date till the claim amount is fully paid.

On January 29, 2019, defendants entered a plea and counterclaimed the Company, the allegation about plaintiff intended to do infringement. Defendants requested plaintiff to withdraw the prosecution and claimed for Baht 48.7 million plus interest 7.5% of this amount since prosecution date till the claim amount is fully paid.

On April 2, 2019, the Company submitted the requisitions to the Civil Court to withdraw the counterclaim from defendants.

At present, the case is in the Civil Court proceeding.

According to the mentioned lawsuit, the Company fully provided impairment on the computer software and recognized as expense for Baht 12.2 million in profit and loss for the year 2019.

## **12 Financial statements approval**

Board of Directors of the Company has approved these interim financial statements on May 14, 2021.