

**BITAZZA COMPANY LIMITED**

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**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

## REPORT OF THE AUDITOR

TO The Shareholders and Board of Directors of  
BITAZZA COMPANY LIMITED

### Opinion

I have audited the financial statements of Bitazza Company Limited (the Company), which comprise the statement of financial position as at December 31, 2020, the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows 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 Bitazza Company Limited as at December 31, 2020, its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### 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 Group and the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are 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.

### Emphasis of Matters

I draw attention as discussed in Notes 3.2, 3.3 and 5 to the financial statements, in the year 2020, the Company had changed the basis for preparing the financial statements by adopting the Financial Reporting Standards in place of the Financial Reporting Standards for Non-Publicly Accountable Entities. The Company had retroactively restated the statement of financial position as at December 31, 2020, the statement of comprehensive income, the statement of changes in shareholders' equity and the statement of cash flows for the year ended the same date and the presentation of the statement of financial position as at January 1, 2020 as comparative information to reflect the change in the basis for preparing the financial statements above which was prepared for the first time to state for the comparative information. However, I did not express my qualified opinion on these events. I draw attention to Note 5 to the financial statements in the presentation of the financial

statements for the year ended December 31, 2020, the Company corrected the errors of the prior period financial statements regarding the recording of deferred tax assets. The comparative information presented was the restated information in this matter. However, my opinion on the financial statements did not qualify on such matters.

### **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 Standards, 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, 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:

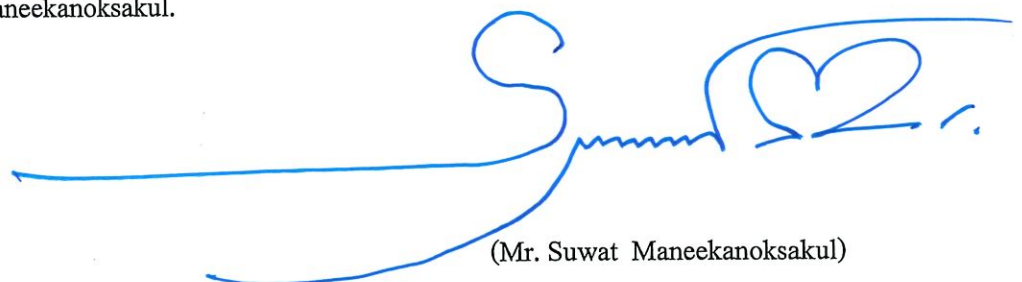
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting 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 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is Mr. Suwat Maneekanoksakul.



(Mr. Suwat Maneekanoksakul)

Certified Public Accountant

Registration No. 8134

Dharmniti Auditing Company Limited

Bangkok, Thailand

May 30, 2022

**BITAZZA COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2020**

		Baht	
		2020	2019 (Restated)
<b>ASSETS</b>			
	Note		
<b>Current assets</b>			
Cash and cash equivalents	8	41,334,216.08	20,040,766.58
Current Investments	6, 9	-	2,000,000.00
Other current receivables	10	-	3,435,463.06
Inventories of digital assets	12	39,670,644.55	7,068,637.61
Other current financial assets	6, 13	2,017,823.91	-
Other current assets	14	1,242,302.96	724,049.73
<b>Total current assets</b>		84,264,987.50	33,268,916.98
<b>Non-current assets</b>			
Equipment	15	445,782.30	633,895.05
Right-of-use assets	16	948,920.41	-
Intangible assets	17	4,552,307.26	5,411,562.39
Deferred tax assets	5, 18	14,827.28	36,525.04
Other non-current assets		757,782.00	126,500.00
<b>Total non-current assets</b>		6,719,619.25	6,208,482.48
<b>TOTAL ASSETS</b>		90,984,606.75	39,477,399.46





Notes to the financial statement form an integral part of these statement.

**BITAZZA COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION (CONT.)**  
**AS AT DECEMBER 31, 2020**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

	Note	Baht	
		2020	2019 (Restated)
<b>Current liabilities</b>			
Short-term loans from related parties	19	52,046,345.39	12,647,928.37
Other current payables	20	596,287.23	545,668.45
Current portion of lease liabilities	21	663,800.34	-
Other current liabilities		160,918.92	306,079.05
<b>Total current liabilities</b>		<u>53,467,351.88</u>	<u>13,499,675.87</u>
<b>Non-current liabilities</b>			
Lease liabilities	21	113,397.22	-
Employee benefit obligations	22	245,859.22	182,625.18
<b>Total non-current liabilities</b>		<u>359,256.44</u>	<u>182,625.18</u>
<b>TOTAL LIABILITIES</b>		<u>53,826,608.32</u>	<u>13,682,301.05</u>




Notes to the financial statement form an integral part of these statement.

**BITAZZA COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION (CONT.)**  
**AS AT DECEMBER 31, 2020**

**LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)**

	Note	Baht	
		2020	2019 (Restated)
<b>Shareholders' equity</b>			
<b>Share capital</b>	27		
Authorized share capital			
4,000,000 ordinary shares of Baht 10.00 each		45,000,000.00	
100,000 ordinary shares of Baht 10.00 each			40,000,000.00
Issued and paid-up			
100,000 ordinary shares of Baht 10.00 each		1,000,000.00	1,000,000.00
3,900,000 ordinary shares of Baht 10.00 each		39,000,000.00	39,000,000.00
500,000 ordinary shares of Baht 10.00 each		5,000,000.00	-
Total Issued and paid-up share capital		45,000,000.00	40,000,000.00
<b>Retained earnings</b>			
Unappropriated		(7,842,001.57)	(14,204,901.59)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		37,157,998.43	25,795,098.41
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		90,984,606.75	39,477,399.46

Notes to the financial statement form an integral part of these statement.

**BITAZZA COMPANY LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Note	Baht	
		2020	2019 (Restated)
<b>REVENUES</b>			
Commission fees income		42,482,321.31	623.29
Revenues from sales		3,880,265.35	-
Other income		75,550.47	72,021.74
<b>Total revenues</b>		<u>46,438,137.13</u>	<u>72,645.03</u>
<b>EXPENSES</b>			
Cost of services		17,743,728.21	3,807,094.63
Cost from the sale of digital assets		8,680,906.56	-
Administrative expenses		13,625,695.09	8,278,018.01
<b>Total expenses</b>		<u>40,050,329.86</u>	<u>12,085,112.64</u>
<b>Profit (loss) from operating activities</b>		6,387,807.27	(12,012,467.61)
Financial cost		64,585.44	-
<b>Net profit (loss) before income tax</b>		6,323,221.83	(12,012,467.61)
Income tax expenses (income)	23	9,422.57	(36,525.04)
<b>Net profit (loss) for the year</b>		<u>6,313,799.26</u>	<u>(11,975,942.57)</u>
<b>Other comprehensive income</b>			
Components of other comprehensive income that will be reclassified to profit or loss			
Gains (loss) on re-measurements of defined benefit plans		49,100.76	-
<b>Other comprehensive income (loss) for the years - net of tax</b>		<u>49,100.76</u>	<u>-</u>
<b>Total comprehensive income (loss) for the years</b>		<u><u>6,362,900.02</u></u>	<u><u>(11,975,942.57)</u></u>
<b>BASIC EARNINGS PER SHARE</b>			
Basic earnings per share (Baht per share)	26	1.47	(4.99)
Weighted average number of ordinary (Shares)		<u>4,287,223</u>	<u>2,398,082</u>

Notes to the financial statement form an integral part of these statement.



**BITAZZA COMPANY LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Notes	Baht		
		Issued and Paid-up share capital	Retained earnings Unappropriated	Total Shareholders' equity
Balance as at January 1, 2018		1,000,000.00	(2,228,959.02)	(1,228,959.02)
Register the capital increase	26	39,000,000.00	-	39,000,000.00
Profit (loss) for the year 2019				
As previously reported		-	(12,012,467.61)	(12,012,467.61)
Cumulative effect from the change of accounting policies		-	36,525.04	36,525.04
Profit (loss) for the year				
As adjustment		-	(11,975,942.57)	(11,975,942.57)
Balance as at December 31, 2019		40,000,000.00	(14,204,901.59)	25,795,098.41
Register the capital increase	26	5,000,000.00	-	5,000,000.00
Profit (loss) for the year 2020		-	6,313,799.26	6,313,799.26
Other comprehensive income (loss) for the years		-	49,100.76	49,100.76
Balance as at December 31, 2020		45,000,000.00	(7,842,001.57)	37,157,998.43




Notes to the financial statement form an integral part of these statement.

**BITAZZA COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Baht	
	2020	2019 (Restated)
<u>Cash flows from operating activities :</u>		
Profit (loss) for the year	6,313,799.26	(11,975,942.57)
Reconciliations of profit for the year to net cash provided by (used in) operating activities		
Depreciation and amortization	1,438,237.27	255,047.15
Employee retirement benefits expenses	124,609.99	182,625.18
Interest income	(75,550.47)	(72,021.74)
Finance costs	33,307.76	-
Income tax expenses (income)	9,422.57	(36,525.04)
Profit (loss) from by operating activities before changes in operating assets and liabilities	7,843,826.38	(11,646,817.02)
(Increase) decrease in operating assets		
Other current receivables	3,435,463.06	(3,435,463.06)
Inventories of digital assets	(32,602,006.94)	(7,068,637.61)
Other current assets	(518,253.23)	(723,984.76)
Other non-current assets	(631,282.00)	(126,500.00)
Increase (decrease) in operating liabilities		
Other current payables	50,618.78	466,668.45
Other current liabilities	(145,160.13)	251,241.24
Cash provided by (used in) operating activities	(22,566,794.08)	(22,283,492.76)
Corporate income tax paid	-	-
Net cash provided by (used in) operating activities	(22,566,794.08)	(22,283,492.76)

Notes to the financial statement form an integral part of these statement.




**BITAZZA COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS (CONT.)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Baht	
	2020	2019 (Restated)
<u>Cash flows from investing activities :</u>		
Investment in fixed deposit (increase) decrease	-	(2,000,000.00)
Purchase of fixed assets	(25,900.00)	(754,228.92)
Purchase of intangible assets	-	(5,261,019.42)
Cash received from interest income	57,726.56	72,021.74
Net cash provided by (used in) investing activities	31,826.56	(7,943,226.60)
<u>Cash flows from financing activities :</u>		
Cash received from capital increase	5,000,000.00	39,000,000.00
Cash received from short-term loan from related parties	100,803,421.97	-
Repayments to short-term loan from related parties	(61,405,004.95)	(10,146,647.57)
Repayments of lease liabilities	(536,692.24)	-
Interest paid	(33,307.76)	-
Net cash provided by (used in) financing activities	43,828,417.02	28,853,352.43
Cash and cash equivalents increase (decrease)	21,293,449.50	(1,373,366.93)
Cash and cash equivalents, at the beginning of the year	20,040,766.58	21,414,133.51
Cash and cash equivalents, at the end of the year	41,334,216.08	20,040,766.58
<u>Supplemental disclosures of cash flow information :</u>		
Non - cash items		
- Purchase of right-of-use assets under lease agreements	(1,313,889.80)	-

Notes to the financial statement form an integral part of these statement.


**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT**  
**AS AT DECEMBER 31, 2020**

**1. GENERAL INFORMATION**

(a) Legal status and address

The Company was registered to be a limited Company on July 10, 2018

The address of its registered office is as follows:

2922/280, Chan Issara Tower 2, 24th Floor, Phetchaburi Road, Bangkapi sub-district, Huai Khwang district, Bangkok

(b) Nature of the Company's business

Main business activities of the Company are cryptocurrency trading center and digital tokens.

**2. CORONAVIRUS DISEASE 2019 PANDEMIC**

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries as a whole. The situation affects the results of operations of the Company, recognition and measurement of assets and liabilities in the financial statements. Nevertheless, the management will continue to monitor the ongoing development and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

**3. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENT**

3.1 Basis for preparation of the financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with Thai financial reporting standards for Publicly Accountable Entities. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, 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.

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 such financial statements in Thai language.

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

3.2 Changes in the basis of financial statements preparation

During the year 2020, the Company had changed the basis for preparing the financial statements by adopting Financial Reporting Standards in place of Financial Reporting Standards for Non-Publicly Accountable Entities in order to provide useful information about the financial statements presentation and reflect on the financial position, better performance and cash flow of the Company.

The Company's management had assessed that the adoption of such Financial Reporting Standards had a material impact on the financial statements as follows:

- Affected the presentation of the financial statements and the disclosure of information in the notes to the financial statements
  - TAS 1 : Presentation of Financial Statements
  - TAS 7 : Statement of Cash Flow
  - TAS 32 : Financial Instruments Presentation
- Affected the disclosure of information in the notes to the financial statements
  - TAS 24 : Related Party Disclosures
  - IFRS 7 : Financial Instruments Disclosures
  - IFRS 8 : Operating Segments
- Affected the change in the Company's accounting policy as stated in Note 2.3 to the financial statements
  - TAS 12 : Income Taxes
  - TAS 19 : Employee Benefits
  - IFRS 9 : Financial Instruments
  - IFRS 16 : Leases

3.3 Changes in the accounting policies due to the adoption of Financial Reporting Standards were as follows:

TAS 12 : Income Tax

This Accounting Standard stipulated the entity to identify temporary differences arising from differences in the value of assets and liabilities between the accounting and tax basis in order to recognize the tax effects as deferred tax assets or liabilities in accordance with the established criteria.

The Company had adopted such accounting policy in the current year and restated the prior year's financial statements presented for comparative purposes, as though the Company had previously recognized the tax effects as deferred tax assets or liabilities. The cumulative effect of such change in the accounting policy stated in Note 5 to the financial statements.

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

3.4 TAS 19 : Employee Benefit

This Accounting Standard stipulates the Company had obligations in respect of the severance payments to the employees upon retirement under the labor law. The Company treated such severance payment obligations as the defined benefit plan. Previously, the Company recognized the obligation when the transaction incurred. The Company calculated the liabilities under the post-employment benefit plans by using the Projected Unit Credit Method. The independent expert had assessed the obligation under actuarial techniques. This estimation principle required the variety of assumptions including assumptions about the discount rate, future salary increase rate, rate of change in number of employees, mortality rate, and inflation rate.

IFRS 9 : Financial Instruments

This Financial Reporting Standard stipulated the principles for classification and valuation the financial instruments at fair value or amortized cost based on the type of the financial instruments, nature of contractual cash flows and business model. The principles on the calculation method of the impairment of financial instruments was applied by the concept of expected credit losses and the principles related to hedge accounting including presentation and disclosure of the financial instruments. When this Group of Financial Reporting Standards comes into effect, it will make Accounting Standards, Accounting Standard Interpretation and some Accounting Practices that are currently in effect have been cancelled.

IFRS 16 : Leases

This Accounting Standard stipulated the principles for the recognition, valuation, presentation and disclosure of lease agreement and required the lessee to recognize the assets and liabilities for all lease agreements with the lease agreement term of more than 12 months unless the underlying asset was of low value.

3.5 Correction of accounting errors of the previous year's financial statements

The Company had corrected the accounting errors of the previous year's financial statements regarding the recording of buildings, service income and cost of damage from the service rendered as the Company recorded the buildings without the buildings existed and had not recorded accrued service income and damage expenses from the service rendered in the previous year's financial statements by retrospectively restated the previous year's financial statements. The cumulative effect on such correction of accounting errors was stated in Note 5 to the financial statements.

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

3.6 Financial reporting standards that became effective in the current year

During the year, the Company have adopted the revised and new financial reporting standards, interpretations and the accounting guidance, which are effective for fiscal years beginning on or after January 1, 2020. 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. Except, the new standard involves changes to key principles, as summarized below.

**Financial reporting standards related to financial instruments:**

A set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments: Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The Company have adopted TFRS related to financial instruments the first-time in its financial statements by applying modified retrospective approach of adoption of which the cumulative effect as an adjustment to the retained earnings as at January 1, 2020 and the comparative information was not restated. The cumulative effect of the change is described in Note 6 to the financial statements.

**TFRS 16 Leases**

TFRS 16 Leases supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

As at January 1, 2020, the Company have adopted TFRS 16, which the Company recognized the cumulative effects of the initial application of this financial reporting standard without restated the previous year's financial statements presented for comparative. However, the Company had chosen to comply with this financial reporting standard with the lease that was previously classified as operating lease by recognizing the liabilities under the lease as at January 1, 2020 with the present value of the remaining lease payment and discounted by the interest rate of the additional borrowing of the Company as at the initial application date. It was recognized the contractual use rights in the amount of liabilities under lease agreements adjusted by the amount of the prepaid or accrued lease payments which were related to the lease agreement recognized in the statement of financial position before the date of application of this financial reporting standard.

The effect of the change in accounting policy is stated in Note 6 to the financial statements.

**Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”**

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On April 22, 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between January 1, 2020 and December 31, 2020.

The Company have elected to apply the following temporary relief measures on accounting alternatives:

- Not to account for any reduction in lease payments by lessors (if any) as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognized in each period reversed in proportion to the reduction, with any differences then recognized in profit or loss.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.



**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

3.7 Financial reporting standards that become effective in the future

During the year, the Federation of Accounting Professions issued a notification of the Federation of Accounting Professions and published in the Government Gazette for the conceptual framework of financial reporting (new) and several revised financial reporting standards from the year 2019 by becomes effective for the accounting period beginning on or after January 1, 2021 onwards. Which such adjustments are improve/revise principles the financial reporting is as follows:

**Adjustment is reference to the conceptual framework in the financial reporting standards**

Several financial reporting standards are reference to "IASB's Framework for the Preparation and Presentation of Financial Statements." The adjustment of reference project on the conceptual framework in the financial reporting standards has updated reference or partial reference adjustment and other to describe clearly whether each document is reference to "the conceptual framework" of which year.

**Conceptual Framework for Financial Reporting**

The conceptual framework for financial reporting consisted of revised definitions of assets and liabilities. Criteria for recognition assets and liabilities in the financial statements. It also includes the following new principles and guidance:

1. Measurement, including factors that must be considered in selecting the valuation criteria
2. Presentation and disclosure which includes when the income and expenses are classified into other comprehensive income.
3. Reporting entities
4. When the assets and liabilities derecognition from the financial statements

In addition, this Conceptual Framework for Financial Reporting clearly clarifies management's stewardship of the entity's economic resources, prudence, and measurement uncertainty of financial information

**Definition of Business**

Business definition revised in the financial reporting standard No. 3 "Business Combination" describes more clearly on definition of business. The objective is for the business to establish that such transaction has to be recorded as "business combination" or "purchase of assets" or not. Adjustments are as follows:

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

1. Describe clearly on the consideration of “business”, activity group and acquired assets must include input data factor, key process that at least combined will significantly generate outputs.
2. Eliminate the assessment that the market partner can substitute input factor or missing process and generate further outputs from the standards.
3. Add practice guide and example to support understanding and help the company assess whether the key process is acquired.
4. Narrow down the definition of business and definition of outputs by placing interest in the product and service provided to the customer and eliminate the reference on ability to reduce cost from the standards.
5. Add the intention test as an alternative which allows to make assessment easily whether the activity group and acquired assets are business or not.

**Definition of significance**

The definition of significance resulted in revising the accounting standard No.1 Presentation of Financial Statements, Presentation of Financial Statements and Accounting Standards No.8 – Accounting Policy, Change of Accounting Estimates and Error and the revision that resulted in other financial reporting standards. The adjustment creates better understanding of the definition of significance by

1. For the definition to follow the same direction of the financial reporting standards and conceptual framework to avoid the confusion that may arise from the definition difference.
2. Include the requirements together of the accounting standard No.1 “Presentation of financial statements” in the definition for it to become clearer and describe how the materiality can be clearly applied.
3. Applying existing practice guidance of the definition of the materiality in the same place as the definition.

**Reform of swap interest rate**

The reform of swap interest rate resulted in the adjustment of the financial reporting standards No. 9 financial instruments and financial reporting standards No.7 financial instrument disclosure. Such adjustment has changed the hedge accounting requirements, especially to reduce the impact arising from the uncertainty as a result of the swap interest rate reform such as interbank offer rates-IBORs. In addition, the adjustment requires the business to provide additional information to investors regarding the relation of hedging directly impacted from any uncertainties.

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

**Thai Financial Reporting Standard No.16 “Leases”**

The Federation of Accounting Professions has revised TFRS 16 lease agreements and published in the Government Gazette on January 27, 2021 with the following revisions.

1. The Rent Concessions related to COVID-19, which is effective from June 1, 2020 with earlier application permitted. The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications.
2. Added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted.

The management of the Company are in the process to assess the impact of these TFRSs to the financial statements in the year when they are adopted.

**4. SIGNIFICANT ACCOUNTING POLICIES**

**4.1 Recognition of revenues and expenses**

Commission fees from providing digital assets exchange services are recognized as income on the transaction date.

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

Interest income and other income are recognized base on accrual basis.

Expenses are recognized base on accrual basis.

**4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and cash at financial institutions with an original maturity of three months or less and not subject to withdrawal restrictions.

**4.3 Current investments in fixed deposit**

Current investments in fixed deposits are stated at cost and the interest is recognized by the rate announcement of the financial institution in the statement of income.

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4.4 Recognition and amortization of customer assets

Customer assets consisted of:

Cash account is the cash that the customer transfers to the company in order to trade digital asset.

Digital asset account is the digital assets that the customer transfers to the company to trade digital asset.

Company recorded as an asset for internal control purposes. As at the end of the reporting year, the Company writes these amounts off from both assets and liabilities.

4.5 Trade receivables and allowance for doubtful accounts

Applicable from January 1, 2020

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

Trade receivables are stated at the amount expected to be collectible, the Company apply the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company have identified the GDP, the unemployment rate and the consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognized in profit or loss within administrative expenses.

Applicable prior to January 1, 2020

Trade accounts receivable are initially recognized by the invoice amount and subsequently measured at the remaining amount less an allowance for doubtful accounts (if any) based on a review of all outstanding amounts at year end. Bad debts are immediately recognized in the income statement as part of administrative expenses.

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The company provides allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on a review of the current status of each receivable by considering the ability to repay debt and the amount expected to be paid from the debtor.

4.6 Inventories of digital assets

Inventories of digital assets were stated at cost using the first - in - first - out (FIFO) or net realizable value, whichever was lower.

The net realizable value inventories of digital assets was generated from the quoted bid price in the market for trading digital assets.

4.7 Other current financial assets

Other current financial assets as the investments in fixed deposits were stated at cost and interest was recognized at the rate announced by that financial institution in the income statement.

4.8 Equipment/depreciation

Equipment are stated at cost less accumulated depreciation and allowance on decline in value (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company (if any).

Depreciation of equipment is calculated by cost less residual value on the straight-line basis over the following estimated useful lives:

	Estimate useful lives (years)
Office equipment	5
Computer Hardware	3

The Company has reviewed the residual value and useful life of the assets regularly.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

Equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of income.

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4.9 Intangible assets

Intangible assets which are software are presented cost less accumulated amortization, amortization is calculated by the straight-line method, based on estimated useful lives:

	Estimate useful lives (years)
Software and website	5
Digital asset business license	10

4.10 Leases

Applicable from January 1, 2020

At inception of a contract, the Company assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company assess the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases at the date of initial application (as at January 1, 2020) together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

**Right-of-use assets-as a lessee**

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the lease term or the estimated useful lives for each of right-of-use assets.

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**Lease liabilities**

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

**Short-term leases and leases of low-value assets**

The Company apply the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

Lease payments on operating lease are recognized as expense on straight-line basis over the lease term.

Applicable prior to January 1, 2020

**Finance lease**

The leases of assets, which the substantial all the risk and reward associated with the ownership of the assets have been transferred to the lessee, title may or may not eventually be transferred to the lessee under the finance lease arrangements, are classified as finance leases. The lessee is to record the finance lease as an asset and obligation at an amount equal to the fair value of the leased asset or the present value of the minimum lease payment whichever is lower. The interest expense is charged to the statements of income over the lease period. The leased asset is depreciated over the useful life.

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Operating Leases

The leases of assets, which the substantial all the risk and reward associated with the ownership of the assets have not been transferred to the lessee, are classified as operating leases. The payments made under operating leases are charged to the statements of income on a straight - line method over the period of the lease agreements.

4.11 Employee benefit

Short-term employment benefits

The Company recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments it must pay to the employees upon retirement under the labor law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized immediately in other comprehensive income.

4.12 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates 20% of profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax. The tax privilege include exemption from income tax on profits from the promoted activities.



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Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Company expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

4.13 Provisions

Provisions 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 estimate can be made of the amount of the obligation.

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
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4.14 Transactions in foreign currencies and digital assets

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies and digital assets are converted into Thai Baht using exchange rates as at the date of transaction.

4.15 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

4.16 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the year by the weighted average number of ordinary shares which are issued and paid up during the year.

4.17 Financial assets and financial liabilities

Applicable from January 1, 2020

**Classification and measurement of financial assets**

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company classify its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Company reclassify debt instruments when and only when its business model for managing those assets changes.

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The equity instruments held must be irrevocably classified to two measurement categories at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

At initial recognition, the Company measure a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Company business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Company classify its debt instruments:

- Amortize cost: A financial assets will be measured at amortized cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- FVOCI: A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognized on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.

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- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Dividends from such investments continue to be recognized in profit or loss when the Company right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**Classification and measurement of financial liabilities and equity**

Financial instruments issued by the Company must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Company have an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Company's own equity instruments.
- Where the Company have no contractual obligation or have an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Company measure financial liabilities at fair value. The Company reclassify all financial liabilities as subsequently measured at amortized cost, except for derivatives.

**Recognition and derecognition**

The Company shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the Company become party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commit to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company have transferred substantially all the risks and rewards of ownership of the financial assets.

**BITAZZA COMPANY LIMITED**  
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**Impairment of financial assets**

The Company recognized an allowance for expected credit losses on its financial assets measured at amortized cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Company applied a simplified approach to determine the lifetime expected credit losses.

4.18 Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect amounts reported in the financial statements and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

**Allowance for doubtful accounts**

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

**Determining the lease term of contracts with renewal and termination options**

The Company determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

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**Equipment and right-of-use assets/depreciation**

In determining depreciation of equipment including right-of-use assets, the management is required to make estimates of the useful lives and residual values of the plant and equipment when stop using (if any) and has to review the estimated useful lives and residual values when there are any changes.

In addition, the management is required to consider the impairment on equipment and right-of-use assets if indicated and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to such assets.

**Intangible assets**

In recording the initial recognition and measurement of intangible assets as at the acquired date and subsequent impairment testing, the management is required to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

**Deferred tax assets**

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

**Post-employment benefits under defined benefit plans**

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

**5. CUMULATIVE EFFECT FROM THE CHANGE IN ACCOUNTING POLICIES**

As discussed in Note 3.6 to the financial statements, the Company had adopted the financial reporting standards and had adjusted the cumulative effect of the change in such accounting policies for the prior period financial statements presented for comparison by retrospectively restated the statement of financial position as at December 31, 2019 and the statement of comprehensive income for the year ended on the same day as the following details.

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	Baht		
	As previously reported	Impact from adjustment previous year	As adjustment
<b><u>Statement of financial position</u></b>			
As at December 31, 2019			
- Deferred tax assets	-	36,525.04	36,525.04
- Retained earnings (loss) unappropriated	(14,241,426.63)	(36,525.04)	(14,204,901.59)
<b><u>Statement of comprehensive income</u></b>			
For the year ended December 31, 2019			
- Income tax expenses (income)	-	(36,525.04)	(36,525.04)
- Comprehensive income (loss) for the year	(12,012,467.61)	36,525.04	(11,975,942.57)

**6. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS**

As described in Note 3.6 to the financial statements, during the current period, the Company have impacts from adoption of TFRS 9 related to financial instruments and TFRS 16. The cumulative effect of the changes in accounting policies are recognized as an adjustment to retained earnings as at January 1, 2020 and the comparative information was not restated.

The changes in accounting policies due to the adoption of above financial reporting standards, are summarized below.

	Baht			
	As at December 31, 2019	The impacts of TFRS related to financial instruments	The impacts of TFRS 16	As at January 1, 2020
<b><u>Statement of financial position</u></b>				
Current assets				
Current investments	2,000,000.00	(2,000,000.00)	-	-
Other current financial assets	-	2,000,000.00	-	2,000,000.00

**Classification and measurement**

On January 1, 2020 (the date of initial application), the Company management has assessed which business models applied to the financial assets and liabilities held by the Company and has classified the financial assets and liabilities as below.

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	Baht			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at January 1, 2020				
Cash and cash equivalents	-	-	20,040,766.58	20,040,766.58
Other current receivables	-	-	3,435,463.06	3,435,463.06
Other current financial assets	-	-	2,000,000.00	2,000,000.00
Other current assets	-	-	724,049.73	724,049.73
Other non-current assets	-	-	126,500.00	126,500.00
Financial liabilities as at January 1, 2020				
Short-term loans from related parties	-	-	12,647,928.37	12,647,928.37
Other current payables	-	-	545,668.45	545,668.45

**7. TRANSACTIONS WITH RELATED PARTY**

The Company had some accounting transactions with the related parties for the significant consolidated in the financial statements used at normal business prices. It was based on the general market price or at the agreed price under the agreement if there was no guaranteed market price.

Nature of the Company's relationship:

Name of the company	Country	Relationship
<u>Related parties</u>		
Mr. Kavin Phongpandecha	Thailand	Shareholder and director
Mr. Chavengsak Asavanimitr	Thailand	Shareholder and director
Mr. Kevin Heng	Malaysia	Shareholder and director
Mr. Fong Jane Wei	Malaysia	Shareholder and director
Mr. Jutipat Boonsoong	Thailand	Relative of major shareholder



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During the years, the Company had significant business transactions with related parties which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Company and those companies. Below is a summary of those transactions.

	Pricing Policy	Baht	
		2020	2019
<u>Transactions with related person</u>			
Commission fees income	General market price	39,157.31	-
Other income	General market price	71,474.00	-
Management benefit expenses	Mutual agreed price	3,641,546.00	1,500,000.00

The outstanding balances of the above transactions are presented as separate items in the statements of financial position. Detail are as follow :-

	Baht	
	2020	2019
<u>Related person</u>		
Digital assets on behalf of the Company for customers	1,582,799.76	-
Short-term loan from related parties	52,046,345.39	12,647,928.37

**8. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consisted of :-

	Baht	
	2020	2019
Cash	10,300.00	-
Cash at banks - Savings accounts	167,047.02	14,905,743.05
Cash at banks - Current accounts	43,448,395.14	515,080.76
Deposit in electronic wallets	-	4,723,500.77
Total cash and cash equivalents	43,625,742.16	20,144,324.58
(Less) : Deposits for customers' account	(2,291,526.08)	(103,558.00)
Net cash and cash equivalents	41,334,216.08	20,040,766.58

As at December 31, 2020 and 2019 saving account bear interest at floating rates which are set by bank.

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**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
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**9. CURRENT INVESTMENTS**

Current investments consisted of :-

	Baht	
	2020	2019
Current investments		
Fixed deposit	-	2,000,000.00
Total Current investments	-	2,000,000.00

Current investments are types of 12-month fixed deposit the interest at the rate of 1.35% per annum.

**10. OTHER ACCOUNTS RECEIVABLE**

Other accounts receivable consisted of :-

	Baht	
	2020	2019
Other accounts receivable		
Prepaid expense	-	3,435,463.06
Total other account receivable	-	3,435,463.06

**11. DIGITAL ASSETS ON BEHALF OF THE COMPANY FOR CUSTOMERS**

Digital assets on behalf of the Company for customers consisted of :-

	Baht	
	2020	2019
Asset in digital currency - cryptocurrency	61,299,275.15	47,443.99
(Less) : digital asset on behalf of company for customer	(61,299,275.15)	(47,443.99)
Total digital assets	-	-

As at December 31, 2020, the customer's digital assets deposited with the Company were stated at fair value from the central website of Coinmarketcap.com.

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**12. INVENTORIES OF DIGITAL ASSETS**

Inventories of digital assets consisted of :-

	Baht	
	2020	2019
Inventories of digital assets		
Asset in digital currency - cryptocurrency	39,670,644.55	7,068,637.61
(Less) Allowance for inventories declining value	-	-
Inventories of digital assets, net	39,670,644.55	7,068,637.61

**13. OTHER CURRENT FINANCIAL ASSETS**

Other current financial assets consisted of :-

	Baht	
	2020	2019
Current investments		
Fixed deposit	2,017,823.91	-
Total Current investments	2,017,823.91	-

Current investments are types of 12-month fixed deposit the interest at the rate of 0.75% per annum.

**14. OTHER CURRENT ASSETS**

Other current assets consisted of :-

	Baht	
	2020	2019
Other current assets		
Revenue department receivable	1,075,966.72	394,059.98
Undue Input Vat	108,130.43	329,924.78
Other	58,205.81	64.97
Total other current assets	1,242,302.96	724,049.73

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
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**15. EQUIPMENT**

Equipment consisted of:-

	Baht				Book value as at Dec. 31, 2020
	Book value as at Dec. 31, 2019	Additions	Deduction	Transfer in (transfer out)	
<u>At cost</u>					
Furniture & fixtures	301,413.92	-	-	-	301,413.92
Computer Hardware	452,815.00	25,900.00	-	-	478,715.00
Total	<u>754,228.92</u>	<u>25,900.00</u>	<u>-</u>	<u>-</u>	<u>780,128.92</u>
<u>Less Accumulated depreciation</u>					
Furniture & fixtures	(36,533.35)	(60,282.78)	-	-	(96,816.13)
Computer Hardware	(83,800.52)	(153,729.97)	-	-	(237,530.49)
Total	<u>(120,333.87)</u>	<u>(214,012.75)</u>	<u>-</u>	<u>-</u>	<u>(334,346.62)</u>
Net equipment	<u>633,895.05</u>				<u>445,782.30</u>
Baht					
	Book value as at Dec. 31, 2018	Additions	Deduction	Transfer in (transfer out)	Book value as at Dec. 31, 2019
<u>At cost</u>					
Furniture & fixtures	-	301,413.92	-	-	301,413.92
Computer Hardware	-	452,815.00	-	-	452,815.00
Total	<u>-</u>	<u>754,228.92</u>	<u>-</u>	<u>-</u>	<u>754,228.92</u>
<u>Less Accumulated depreciation</u>					
Furniture & fixtures	-	(36,533.35)	-	-	(36,533.35)
Computer Hardware	-	(83,800.52)	-	-	(83,800.52)
Total	<u>-</u>	<u>(120,333.87)</u>	<u>-</u>	<u>-</u>	<u>(120,333.87)</u>
Net equipment	<u>-</u>				<u>633,895.05</u>
Depreciation for the year					
2020					<u>214,012.75</u>
2019					<u>120,333.87</u>

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

**16. RIGHT-OF-USE ASSETS**

The net book value of right-of-use assets related to lease contracts and the movement for the year ended December 31, 2020 are presented below :-

	Baht
<b>Cost</b>	
As at December 31, 2019	-
Reclassified to right-of-use assets	-
Adjustments of right-of-use assets due to TFRS16 adoption	-
As at January 1, 2020	-
Increase during the year	1,313,889.80
As at December 31, 2020	1,313,889.80
<b>Accumulated Depreciation</b>	
As at December 31, 2019	-
Reclassified to right-of-use assets	-
Adjustments of right-of-use assets due to TFRS16 adoption	-
As at January 1, 2020	-
Depreciation for the year	364,969.39
As at December 31, 2020	364,969.39
<b>Net book value</b>	
As at December 31, 2019	-
As at January 1, 2020	-
As at December 31, 2020	948,920.41

As at December 31, 2020, the Company had the right-of-use assets (office) under the lease agreements.

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

**17. INTANGIBLE ASSETS**

Intangible assets consisted of:-

	Baht				Book value as at Dec. 31, 2020
	Book value as at Dec. 31, 2019	Additions	Deduction	Transfer in (transfer out)	
<u>At cost</u>					
Software and website	1,757,019.42	-	-	1,289,256.25	3,046,275.67
Digital asset business license	2,500,000.00	-	-	-	2,500,000.00
Software under installation	1,289,256.25	-	-	(1,289,256.25)	-
Total	<u>5,546,275.67</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,546,275.67</u>
<u>Less Accumulated amortization</u>					
Software and website	(23,754.38)	(609,255.13)	-	-	(633,009.51)
Digital asset business license	(110,958.90)	(250,000.00)	-	-	(360,958.90)
Total	<u>(134,713.28)</u>	<u>(859,255.13)</u>	<u>-</u>	<u>-</u>	<u>(993,968.41)</u>
Net Intangible assets	<u>5,411,562.39</u>				<u>4,552,307.26</u>
	Baht				
	Book value as at Dec. 31, 2018	Additions	Deduction	Transfer in (transfer out)	Book value as at Dec. 31, 2019
<u>At cost</u>					
Software and website	-	1,757,019.42	-	-	1,757,019.42
Digital asset business license	-	2,500,000.00	-	-	2,500,000.00
Software under installation	285,256.25	1,004,000.00	-	-	1,289,256.25
Total	<u>285,256.25</u>	<u>5,261,019.42</u>	<u>-</u>	<u>-</u>	<u>5,546,275.67</u>
<u>Less Accumulated amortization</u>					
Software and website	-	(23,754.38)	-	-	(23,754.38)
Digital asset business license	-	(110,958.90)	-	-	(110,958.90)
Total	<u>-</u>	<u>(134,713.28)</u>	<u>-</u>	<u>-</u>	<u>(134,713.28)</u>
Net Intangible assets	<u>285,256.25</u>				<u>5,411,562.39</u>
Amortization for the year ended December 31,					
2020					<u>859,255.13</u>
2019					<u>134,713.28</u>

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

**18. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES**

Changes in deferred tax assets and deferred tax liabilities for the years ended December 31, 2020 and 2019 summarized as follows :-

	Baht			Book value as at Dec. 31, 2020
	Book value as at Dec. 31, 2019	Revenue (expenses) during the year		
		In profit or loss	In other comprehensive income	
<b>Deferred tax assets:</b>				
Provisions for employee benefits	36,525.04	24,922.00	(12,275.19)	49,171.85
Total	36,525.04	24,922.00	(12,275.19)	49,171.85
<b>Deferred tax liabilities:</b>				
Lease liabilities	-	(34,344.57)	-	(34,344.57)
Total	-	(34,344.57)	-	(34,344.57)
Net	36,525.04	(9,422.57)	(12,275.19)	14,827.28

	Baht			Book value as at Dec. 31, 2019
	Book value as at Dec. 31, 2018	Revenue (expenses) during the year		
		In profit or loss	In other comprehensive income	
<b>Deferred tax assets:</b>				
Provisions for employee benefits	-	36,525.04	-	36,525.04
Total	-	36,525.04	-	36,525.04

**19. SHORT-TERM LOANS FROM RELATED PARTIES**

Short-term loans from related parties consisted of :-

	Baht			Balance as at Dec 31, 2020
	Balance as at Dec 31, 2019	Transection during the year		
		Increase	Repayment	
Director	12,647,928.37	35,777,441.97	(26,312,198.99)	22,113,171.35
Related parties	-	65,025,980.00	(35,092,805.96)	29,933,174.04
	12,647,928.37	100,803,421.97	(61,405,004.95)	52,046,345.39

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

	Baht			
	Balance as at	Transection during the year		Balance as at
	Dec 31, 2018	Increase	Repayment	Dec 31, 2019
Director	22,794,575.94	-	(10,146,647.57)	12,647,928.37
	22,794,575.94	-	(10,146,647.57)	12,647,928.37

Short-term loan to related persons without entering into the loan agreement and had due at call and had not charged interest each other.

**20. OTHER CURRENT PAYABLES**

Other current payables consisted of :-

	Baht	
	2020	2019
Other current payables		
Accrued expenses	555,000.00	545,668.45
Other	41,287.23	-
Total other current payables	596,287.23	545,668.45

**21. LEASE LIABILITIES**

The carrying amounts and movement of lease liabilities for the year ended December 31, 2020 and 2019 are presented as follows :-

	Baht	
	2020	2019
Less than 1 year	684,000.00	-
More than 1 year but less than 5 years	114,000.00	-
Total minimum lease payments	798,000.00	-
<u>Less</u> Deferred interest expense	(20,802.44)	-
Total minimum lease payments - net	777,197.56	-
<u>Less</u> current portion of lease liabilities	(663,800.34)	-
Net	113,397.22	-

As at December 31, 2020 the Company had 1 hire purchase agreement with the leasing companies.



**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

The carrying amounts of lease liabilities and the movement for the year ended December 31, 2020 are presented below.

	Baht
As at December 31, 2019	-
Effects of the adoption of TFRS16	-
As at January 1, 2020	-
Addition	1,313,889.80
Accretion of interest	54,110.20
Payments	(590,802.44)
As at December 31, 2020	777,197.56
<u>Less: current portion</u>	<u>(663,800.34)</u>
Lease liabilities - net from current portion	<u>113,397.22</u>

The following are the amounts recognized in statement of comprehensive income

	Baht
Depreciation of right-of-use assets	364,969.39
Interest expense on lease liabilities	33,307.76
Total	<u>398,277.15</u>

**22. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS**

Provision for employee benefits in the statements of financial position as at December 31, 2020 and 2019, have the details as follows :

**The statements of financial position**

	Baht	
	2020	2019
Defined benefit obligations, as at January 1,	182,625.18	-
Actuarial gain	(61,375.95)	
Current service costs and interest	124,609.99	182,625.18
Defined benefit obligations, as at December 31,	<u>245,859.22</u>	<u>182,625.18</u>

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

**Expenses that were recognized in the statement of comprehensive income**

For the years ended December 31, 2020 and 2019

	Baht	
	2020	2019
Current service costs and interest		
Administrative expenses	120,827.01	182,625.18
Interest expenses	3,782.98	-
Total	124,609.99	182,625.18

**Principal assumptions in the estimates based on the actuarial principles**

	Percentage	
	2020	2019
Discount rate	3.10	-
Salary increases rate	4.00	-
Employee turnover rate	1.91 - 22.92	-
Mortality rate (of mortality table B.E.2018)	105.00	-

**Sensitivity analysis**

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2020 is summarized below :-

	Baht	
	2020	
	1% increase	1% decrease
Discount rate	(92,743.19)	114,323.06
Salary increase rate	112,056.23	(92,840.44)
Turnover rate	(103,849.86)	133,145.57

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

**23. INCOME TAX EXPENSES (INCOME)**

23.1 Major components of income tax expenses for the years ended December 31, 2020 and 2019 consisted of :

	Baht	
	2020	2019
Income tax expenses shown in profit or loss :		
Current income tax expenses:		
Income tax expenses for the year	-	-
Deferred tax income :		
Changes in temporary differences relating to the original recognition and reversal	9,422.57	(36,525.04)
Total	9,422.57	(36,525.04)

23.2 A numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate for the years ended December 31, 2020 and 2019 which are summarized as follows :-

	Baht	
	2020	2019
Accounting profit (loss) for the year	6,323,221.83	(12,012,467.61)
The applicable tax rate	20.00	20.00
Income tax expense at the applicable tax rate	1,264,644.37	(2,402,493.52)
Reconciliation items:		
Tax effect of expenses that are not deductible in determining tax profit:		
- Expenses not allowed as expenses in determining taxable profit	246,056.00	195,280.75
Unrecognized tax losses as deferred tax assets	(1,501,277.80)	2,170,687.73
Tax effect of income or profit that are not required in determining taxable profit:		
Expenses that are deductible for tax purposes	-	-
Total reconciliation items	(1,255,221.80)	2,365,968.48
Total income tax expenses	9,422.57	(36,525.04)

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

23.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate for the years ended December 31, 2020 and 2019 are summarized as follows :-

	Baht			
	2020		2019	
	Tax amount (Baht)	Tax rate (Percentage)	Tax amount (Baht)	Tax rate (Percentage)
Accounting profit (loss) before tax expense for the year	6,323,221.83		(12,012,467.61)	
Income tax expense at the applicable tax rate	1,264,644.37	20.00	(2,402,493.52)	(20.00)
Reconciliation items	(1,255,221.80)	(19.85)	2,365,968.48	19.70
Income tax expense at the average effective tax rate	9,422.57	0.15	(36,525.04)	(0.30)

**24. EXPENSE BY NATURE**

Significant expenses by natures for the year ended December 31, 2020 and 2019 are as follow :-

	Baht	
	2020	2019
Change in digital assets	(32,602,006.94)	(7,068,637.61)
Buy digital assets products	41,282,913.50	7,068,637.61
Digital assets fee	5,605,275.52	3,040,355.16
Staff expenses	12,263,062.68	2,454,458.18
Depreciation and amortization	1,438,237.27	255,047.15
Other expenses	12,062,847.83	6,335,252.15

**25. BASIC EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the profit for the year by the weighted average number of ordinary shares which issued and paid-up during the year.

		2020	2019
		Profit (loss) for the year (Baht)	(Baht)
Weighted average number of ordinary shares (Share)	(Share)	4,287,223	2,398,082
Earnings (loss) per share (Baht/Share)	(Baht/Share)	1.47	(4.99)

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

**26. SHARE CAPITAL**

On July 9, 2018, the shareholders had set up the Company's establishment meeting and had a resolution to approve the registered establishment by issuing 100,000 ordinary shares at par value of Baht 10 per share, totaled Baht 1,000,000.00. The Company had registered the establishment with the Ministry of Commerce on July 10, 2018.

On March 8, 2019, the Extraordinary Shareholders' Meeting No. 1/2019 had a resolution to approve the registered capital increase another 2,400,000 shares, at paid-up shares of Baht 10 per share, totaled Baht 24,000,000.00. The Company had been fully paid and had registered the capital increase with the Ministry of Commerce on March 14, 2019.

Later on, September 24, 2019, the Extraordinary Shareholders' Meeting No. 2/2019 had a resolution to approve the registered capital increase another 1,500,000 shares, at paid-up shares of Baht 10 per share, totaled Baht 15,000,000.00. The Company had been fully paid and had registered the capital increase with the Ministry of Commerce on September 30, 2019. As a result, the new registered capital had changed to Baht 40,000,000.00 (4,000,000 ordinary shares at par value of Baht 10 per share).

On April 1, 2020, the Extraordinary Shareholders' Meeting No. 1/2020 of the Company had a resolution to approve the registered capital increase for another 500,000 shares at Baht 10 per share, totaled Baht 5,000,000.00. The Company had fully received such payment and had registered the capital increase with the Ministry of Commerce on June 5, 2020. As a result, the new registered capital had changed to Baht 45,000,000.00 (4,500,000 ordinary shares at par value of Baht 10 per share).

**27. FINANCIAL INSTRUMENTS**

Accounting policies

Details of significant accounting policies and methods adopted, including criteria for recognition of revenues and expenses relating to financial assets and financial liabilities are disclosed in note 6.

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

**Financial assets and financial liabilities**

On January 1, 2020 (the date of initial application of new financial reporting standards), the Company management have assessed which business models applied to the financial assets and liabilities and have classified the financial assets and liabilities balances as at January 1, 2020 has been disclosed in Note 6.

As at December 31, 2020 Financial assets and financial liabilities consisted of :-

	Baht			
	FVPL	FVOCI	Amortized cost	Total
<u>Financial assets</u>				
Cash and cash equivalents	-	-	41,334,216.08	41,334,216.08
Other current financial assets	-	-	2,017,823.91	2,017,823.91
Other current assets	-	-	1,242,302.96	1,242,302.96
<u>Financial liabilities</u>				
Short - term loans from related parties	-	-	52,046,345.39	52,046,345.39
Other current payables	-	-	596,287.23	596,287.23
Other current liabilities	-	-	160,918.92	160,918.92
Lease liabilities	-	-	777,197.56	777,197.56

**Financial risk management for financial instruments**

The Company manages its financial risk exposure on financial assets and financial liabilities in the normal business by its internal management and control system, and the Company does not hold or issue any derivative financial instruments.

**Credit risk**

The Company is exposed to credit risk primarily with respect to trade accounts receivable. However, due to their prudent credit policy and their diversified customer base, they do not anticipate material losses from their debt their debt collection in excess of the allowance for doubtful accounts already set up.

**Interest rate risk**

The interest rate risk is the risk that future movements in market interest rates will affect the operating results of the Company and their cash flows. The Company' exposure to interest rate risk relate primarily to their bank deposits. The Company does not use derivative financial instruments to hedge such risk.

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

As at December 31, 2020 the significant financial assets and financial liabilities classified by type of interest rates were as follows :-

	Baht			Total
	Floating Interest rate	Fixed Interest rate	Interest - free	
<u>Financial assets</u>				
Cash and cash equivalents	41,323,916.08	-	10,300.00	41,334,216.08
Other current financial assets	-	2,017,823.91	-	2,017,823.91
Other current assets	-	-	1,242,302.96	1,242,302.96
<u>Financial liabilities</u>				
Short - term loans from related parties	-	52,046,345.39	-	52,046,345.39
Other current payables	-	-	596,287.23	596,287.23
Other current liabilities	-	-	160,918.92	160,918.92
Lease liabilities	-	777,197.56	-	777,197.56

**Liquidity risk**

The Company manages its liquidity risk by maintaining adequate level of cash and cash equivalents to support the Company's operations as well as securing short-term credit facilities from financial institutions for reserve as necessary and to reduce the impact of fluctuations in cash flow.

**Fair value**

The Company use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

**Fair value hierarchy**

Level 1 - Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Use of inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (e.g. prices) or indirectly (e.g. derived from prices).

Level 3 - Use of unobservable inputs such as estimates of future cash flows.

**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

**28. SEGMENT INFORMATION**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The one main reportable operating segment of the company is cryptocurrency trading center and digital tokens and the single geographical area of their operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss, in the financial statements. As a result, all of the revenues, operating profit and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

**29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

Changes in the liabilities arising from financing activities for the year ended December 31, 2020 and 2019 are as follows :-

	Baht				
	Balance as at December 31, 2019	Cash flows Increase (decrease)	Non-cash transaction Increase	Effects of the Adoption of TFRS16	Balance as at December 31, 2020
Lease liabilities	-	(536,692.24)	1,313,889.80	-	777,197.56
Short - term loans from related parties	12,647,928.37	39,398,417.02	-	-	52,046,345.39
<b>Total</b>	<b>12,647,928.37</b>	<b>38,861,724.78</b>	<b>1,313,889.80</b>	<b>-</b>	<b>52,823,542.95</b>

	Baht				
	Balance as at December 31, 2018	Cash flows Increase (decrease)	Non-cash transaction Increase	Effects of the Adoption of TFRS16	Balance as at December 31, 2019
Short - term loans from related parties	22,794,575.94	(10,146,647.57)	-	-	12,647,928.37
<b>Total</b>	<b>22,794,575.94</b>	<b>(10,146,647.57)</b>	<b>-</b>	<b>-</b>	<b>12,647,928.37</b>



**BITAZZA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT (CONT.)**  
**AS AT DECEMBER 31, 2020**

**30. CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

**31. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements have been approved by the director of the company on May 30, 2022.



