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INTELLECT DESIGN ARENA SA  
NEUCHÂTEL

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## REPORT

OF THE STATUTORY AUDITORS  
TO THE GENERAL MEETING  
AS AT 31 MARCH 2016

**Fiduciaire Muller Christe & Associés SA**  
NEUCHÂTEL / YVERDON-LES-BAINS / LA CHAUX-DE-FONDS / GENEVE

Rue du Temple-Neuf 4  
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## Report of the statutory auditors on the limited statutory examination to the general meeting of Intellect Design Arena SA, Neuchâtel

As statutory auditors, we have examined the financial statements (balance sheet, income statement and notes) of Intellect Design Arena SA for the year ended 31<sup>st</sup> March 2016.

These financial statements are the responsibility of the board of directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

Neuchâtel, 3rd May 2016  
DRA/sco

FIDUCIAIRE  
MULLER CHRISTE & ASSOCIES SA

  
Sébastien Charpié  
Audit expert

  
Daniele Raffaele  
Audit expert  
(auditor in charge)

**Enclosures :** Financial statements (balance sheet, income statement and notes)  
Proposed appropriation of available earnings

**INTELLECT DESIGN ARENA SA, NEUCHATEL****BALANCE SHEET AS AT 31 MARCH 2016**

	2016		2015	
	Year ended		Year ended	
	CHF	CHF	CHF	CHF
<b>FIXED ASSETS</b>				
Intellectual Property Rights	1		1	
<b>TOTAL FIXED ASSETS</b>		1		1
<b>FINANCIAL ASSETS</b>				
Loan receivable - group companies - long term portion	3 180 501		-	
<b>TOTAL FINANCIAL ASSETS</b>		3 180 501		-
<b>CURRENT ASSETS</b>				
Bank accounts	21 398		743 680	
Accounts receivable - third parties	150 337		30 307	
Accounts receivable - related parties	-		1 978 363	
Accounts receivable - holding company	442		922 243	
Other debtors	119 534		49 290	
Revenue to be billed - third parties	129 018		152 450	
Loans receivable - group companies	2 036 789		1 917 491	
<b>TOTAL CURRENT ASSETS</b>	<b>2 457 518</b>		<b>5 793 823</b>	
<b>LESS : CURRENT LIABILITIES</b>				
Salary control a/c	2 323		( 10 301)	
Social security charges control a/c	( 69 564)		( 17 218)	
Payroll tax account	( 217 026)		( 126 617)	
Corporate tax payable	( 98 800)		( 118 065)	
Creditors - third parties	( 149 310)		( 17 231)	
Creditors - related parties	-		( 429 243)	
Creditors - group companies	( 100 709)		-	
VAT payable	( 18 729)		( 24 913)	
Fees paid by customers in advance	-		( 488 041)	
Loans payable - group companies - short term portion	( 65 676)		-	
Accruals	( 143 263)		( 103 845)	
<b>TOTAL CURRENT LIABILITIES</b>	<b>( 860 754)</b>		<b>(1 335 472)</b>	
<b>NET CURRENT ASSETS</b>		<b>1 596 763</b>		<b>4 458 351</b>
<b>TOTAL FIXED AND NET CURRENT ASSETS</b>		<b>4 777 265</b>		<b>4 458 352</b>
<b>REPRESENTED BY :</b>				
Share capital		<b>350 000</b>		<b>350 000</b>
General reserve	75 000		75 000	
Revenue reserves brought forward	4 033 352		3 126 831	
Profit for the period	318 913		906 521	
<b>TOTAL REVENUE RESERVES</b>	<b>4 427 265</b>	<b>4 427 265</b>	<b>4 108 352</b>	<b>4 108 352</b>
<b>TOTAL CAPITAL</b>		<b>4 777 265</b>		<b>4 458 352</b>

**INTELLECT DESIGN ARENA SA, NEUCHATEL****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2016**

	2016		2015	
	(Period 01.04.15-31.03.16)		(Period 01.04.14-31.03.15)	
	CHF	CHF	CHF	CHF
<b>FINANCIAL INCOME</b>				
Service income - third party	1 856 487		2 124 409	
Service income - related party	-		286 394	
Royalty income - related party	-		1 349	
Interest income - related party	154 025		78 642	
Bank interest income	-		37	
Other income	30 335		1 309	
	<u>2 040 847</u>		<u>2 492 140</u>	
<b>TOTAL FINANCIAL INCOME</b>		<b>2 040 847</b>		<b>2 492 140</b>
<b>EXPENSES</b>				
Salaries and wages	294 069		934 142	
Social security charges	43 223		115 809	
Consulting/outourcing - related party	1 171 996		247 752	
Travelling expenses	91		8 450	
Business promotion expenses	2 447		1 913	
Rent and cleaning	250		800	
Telephone, fax, postage and stationery	-		74	
Directors fees	7 500		7 500	
Audit fees	11 220		14 583	
Legal, administration and consultancy fees	65 963		46 480	
Visa, work permit & registration fees	16 858		59 154	
Bank interest and charges	489		1 286	
Tax on capital and profits	50 470		192 501	
Exchange fluctuation	58 700		(232 848)	
Software development	(1 342)		56 405	
Amortization - intellectual property rights	-		131 619	
	<u>1 721 934</u>		<u>1 585 619</u>	
<b>TOTAL EXPENSES</b>		<b>(1 721 934)</b>		<b>(1 585 619)</b>
<b>PROFIT FOR THE PERIOD</b>		<b><u>318 913</u></b>		<b><u>906 521</u></b>

**INTELLECT DESIGN ARENA SA, NEUCHATEL****NOTES TO THE FINANCIAL STATEMENTS****1. Yearly average number of employees**

The yearly average number of employees is below 250 for the fiscal years 2016 and 2015.

**2. Debts toward pension fund**

	<b>31.03.2016</b>	<b>31.03.2015</b>
	<b>CHF</b>	<b>CHF</b>
Helvetia Fondation collective de prévoyance du personnel	-7'766	14'683

**3. Post-balance sheet events**

There is no significant post-balance sheet event to report.

**4. Related party transactions**

With effect from 4 March 2016, there was a change of control of Polaris Consulting & Services Limited, which meant that this company was no longer a related party. All items disclosed as related party transactions in the current year financial statements relate to transactions and balances with companies within the Intellect Design Arena Group only.

There are no other items which require disclosure in the notes to the financial statements for the year ended, in accordance with Article 663b of the Swiss Code of Obligations.

**INTELLECT DESIGN ARENA SA, NEUCHATEL****PROPOSED APPROPRIATION OF AVAILABLE EARNINGS**

	<b>2016</b> 31 <sup>st</sup> March 2016 CHF	<b>2015</b> 31 <sup>st</sup> March 2015 CHF
<b>RESULT AVAILABLE TO THE ANNUAL GENERAL MEETING</b>		
Retained profits at the beginning of the year	4 033 352	3 126 831
Net income	318 913	906 521
	<u>4 352 265</u>	<u>4 033 352</u>
<b>PROPOSAL OF THE BOARD OF DIRECTORS</b>		
Attribution to general reserve	-	-
Carried forward	4 352 265	4 033 352
	<u>4 352 265</u>	<u>4 033 352</u>