

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

EXPRESSED IN THAI BAHT

## **Independent Auditor’s Report**

To the Board of Directors and Shareholders of  
**M Vision Public Company Limited**

### **Opinion**

I have audited the accompanying consolidated financial statements of **M Vision Public Company Limited and its subsidiaries** (“the Group”), which comprise the consolidated statement of financial position as at 31 December 2019, and the related consolidated statements of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of **M Vision Public Company Limited** for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **M Vision Public Company Limited and its subsidiaries** and of **M Vision Public Company Limited** as at 31 December 2019, their financial performance and 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 (“TSAs”). 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 in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, was of most significance in my audit of the financial statements of the current period. The matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matter.

Key audit matters and how audit procedures respond are described below.

### **Revenue recognition**

The Group operates through three divisions as Event organizing, Media and agency and Commerce, resulting in differing revenue recognition of each division as described in Note 4.13 to the financial statements. Revenue are considered as significant transactions and have a direct effect on the profit and loss of the Group. There are therefore risks with respect to the amount and timing of revenue recognition.

I examined the Group's revenue recognition by assessing and testing the effectiveness of internal controls over the revenue from sale and service cycle, applying a sampling method to select sales transactions to examine the accuracy and appropriateness of the revenue recorded whether they were in compliance with the conditions set out in the sales and service income documents and in compliance with the Group's policy. On a sampling basis, I examined supporting documents of sales and service income incurred during the year and near the end of the accounting period. I examined the credit notes issued after the period-end and examined the significant adjustment made to the revenues. I performed analytical reviews of the sales accounts whether there were any unusual sales transactions.

### **Litigation**

As disclosed in note 29 to the financial statements, the Company was sued by a disputant company for its non-compliance with the memorandum signed claiming a compensation for damage of Baht 9.2 million. Currently, the case is in the consideration process of the Court. Since the cases are not yet finalised, the management has to exercise judgement in determining the outcome of the litigation brought against the Company, taking into account the facts and the related legal provisions, in order to estimate the contingent liabilities resulting from the losses to be incurred. The actual results when the cases are finalised could differ from the management's estimates. Therefore, there is a risk with respect to the recognition of provision of contingent liabilities from being sued for such damage.

I inquired with the Company's management and the Company's external legal advisor regarding the progress of the pending litigation and the method applied by the management in estimating the Company's liabilities from the litigation. I discussed with the Company's management regarding the judgement exercised by management in estimating the liabilities. I reviewed the correspondence between the Company's and its external legal advisor and related documentation. In addition, I sent requests for confirmation to the Company's external legal advisor to obtain a written report on the details and status of the cases and the legal advisor's opinion on the likely impact of the cases on the Company's. Lastly, I reviewed the disclosures made in relation to the litigation in the note to the financial statements.

### **Other Information**

Management is responsible for the other information. The other information comprises information in the annual report of the Group, we have received such other information in the annual report that has been prepared for issuance before the date of this auditors' report.

My opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I have read other information in the annual report of the Group that has been prepared for issuance, I did not find any material inconsistency therein which I have to report.

## **Responsibilities of Management and Those Charged with Governance 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **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 judgement 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on 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 Group'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 Group's 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group's to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group's audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance 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.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PRADIT RODLOYTUK  
Certified Public Accountant  
Registration No. 218

AST Master Co., Ltd.  
21 February 2020

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2019**

<u><b>ASSETS</b></u>	<u>Notes</u>	In Baht		
		Consolidated	Separate	
		financial statements	financial statements	
		2019	2019	2018
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	6	14,745,173	14,067,203	41,904,721
Current investments	7	2,234	2,234	23,140,770
Restricted deposit at bank-current portion	8	4,790,000	4,790,000	-
Trade and other receivables	9	193,262,419	192,721,490	148,185,421
Inventories	10	8,789,914	8,789,914	3,182,867
Other current assets	11	9,098,307	8,691,065	6,707,758
Total current assets		<u>230,688,047</u>	<u>229,061,906</u>	<u>223,121,537</u>
<b>NON-CURRENT ASSETS</b>				
Investment in associate	12	1,988,995	1,999,995	-
Investments in subsidiaries	13	-	5,149,980	-
Property, plant and equipment	14	93,506,112	93,362,112	73,741,263
Intangible assets	15	5,543,763	5,454,194	5,057,718
Deferred tax assets	26	8,934,388	8,934,388	15,762,345
Income tax refundable		16,844,225	16,834,442	9,184,401
Deposits and guarantees		1,178,450	1,178,450	1,178,675
Total non-current assets		<u>127,995,933</u>	<u>132,913,561</u>	<u>104,924,402</u>
<b>TOTAL ASSETS</b>		<u><u>358,683,980</u></u>	<u><u>361,975,467</u></u>	<u><u>328,045,939</u></u>

The notes to the financial statements are an integral part of these financial statements.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 31 DECEMBER 2019**

	Notes	In Baht		
		Consolidated	Separate	
		financial statements	financial statements	
<b><u>LIABILITIES AND SHAREHOLDERS' EQUITY</u></b>		2019	2019	2018
<b>CURRENT LIABILITIES</b>				
Short-term loans from financial institutions	16	20,900,000	20,900,000	-
Trade and other payables	17	88,552,368	88,468,168	105,217,303
Investment payables	13	-	2,549,985	-
Current portion of long-term loan	19	4,284,880	4,284,880	5,052,009
Long-term loan reclassified as current liabilities	19	-	-	4,274,775
Current portion of liabilities under finance lease agreements	20	11,850,323	11,850,323	6,809,194
Other current liabilities		6,661,536	6,629,191	2,624,786
Total current liabilities		<u>132,249,107</u>	<u>134,682,547</u>	<u>123,978,067</u>
<b>NON-CURRENT LIABILITIES</b>				
Non-current trade payable	18	17,987,537	17,987,537	33,987,537
Long-term loan	19	8,821,413	8,821,413	8,836,292
Liabilities under finance lease agreements	20	22,928,943	22,928,943	15,970,505
Employee benefit obligations	21	11,024,189	11,024,189	7,564,313
Total non-current liabilities		<u>60,762,082</u>	<u>60,762,082</u>	<u>66,358,647</u>
<b>TOTAL LIABILITIES</b>		<u>193,011,189</u>	<u>195,444,629</u>	<u>190,336,714</u>
<b>SHAREHOLDERS' EQUITY</b>				
Share capital	22			
Registered				
200,000,000 ordinary shares of Baht 0.50 each		<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
Issued and paid-up				
200,000,000 ordinary shares of Baht 0.50 each		100,000,000	100,000,000	100,000,000
Premium on share capital		88,102,029	88,102,029	88,102,029
Retained earnings(Deficit)				
Appropriated statutory reserve	23	1,000,000	1,000,000	1,000,000
Unappropriated		<u>(23,022,279)</u>	<u>(22,571,191)</u>	<u>(51,392,804)</u>
Total equity attributable to the parent company		166,079,750	166,530,838	137,709,225
Non-controlling interests		<u>(406,959)</u>	<u>-</u>	<u>-</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<u>165,672,791</u>	<u>166,530,838</u>	<u>137,709,225</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u>358,683,980</u>	<u>361,975,467</u>	<u>328,045,939</u>

The notes to the financial statements are an integral part of these financial statements.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	In Baht		
	Consolidated	Separate	
	financial statements	financial statements	
Notes	2019	2019	2018
Revenues from sales	19,003,630	19,003,630	221,672,592
Service income	314,391,478	313,724,422	228,823,586
Interest income	197,347	194,082	146,158
Other income	823,671	958,672	210,927
Total revenues	<u>334,416,126</u>	<u>333,880,806</u>	<u>450,853,263</u>
Cost of sales	17,694,449	17,694,449	294,934,815
Cost of services	207,191,490	206,074,482	128,038,852
Distribution cost	11,741,858	11,728,985	20,459,167
Administrative expenses	58,422,500	58,170,009	68,087,985
Finance cost	2,283,094	2,283,094	2,434,370
Total expenses	<u>297,333,391</u>	<u>295,951,019</u>	<u>513,955,189</u>
Profit(loss) before share of loss from investments in associates before tax income(expenses)	37,082,735	37,929,787	(63,101,926)
Share of loss from investments in associates	(11,000)	-	-
<b>Profit(loss) before tax income(expenses)</b>	<u>37,071,735</u>	<u>37,929,787</u>	<u>(63,101,926)</u>
Tax income(expenses)	26 (7,284,001)	(7,284,001)	12,638,362
<b>Profit(loss) for the year</b>	<u>29,787,734</u>	<u>30,645,786</u>	<u>(50,463,564)</u>
<b>Other comprehensive income for the year</b>			
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent year</b>			
Remeasurements of post-employment benefit obligations			
Actuarial losses	(2,280,217)	(2,280,217)	(2,038,675)
Less Tax effect	26 456,044	456,044	407,735
<b>Other comprehensive income for the year</b>	<u>(1,824,173)</u>	<u>(1,824,173)</u>	<u>(1,630,940)</u>
<b>Total comprehensive income for the year</b>	<u>27,963,561</u>	<u>28,821,613</u>	<u>(52,094,504)</u>
<b>Profit(loss) attributable to:</b>			
Equity holders of the parent	30,194,698	30,645,786	(50,463,564)
Non-controlling interests	(406,964)	-	-
	<u>29,787,734</u>	<u>30,645,786</u>	<u>(50,463,564)</u>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent	28,370,525	28,821,613	(52,094,504)
Non-controlling interests	(406,964)	-	-
	<u>27,963,561</u>	<u>28,821,613</u>	<u>(52,094,504)</u>
<b>Basic earnings(loss) per share</b>			
Equity holders of the parent	0.15	0.15	(0.37)
Weighted average number of ordinary shares(shares)	<u>200,000,000</u>	<u>200,000,000</u>	<u>140,876,712</u>

The notes to the financial statements are an integral part of these financial statements.



**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

In Baht							
Consolidated financial statements							
	Issued and paid-up share capital	Premium on share capital	Retained earnings(Deficit)		Total other components of the parent company	Non-controlling interests	Total
			Appropriated statutory reserve	Unappropriated			
Balance as at 1 January 2019	100,000,000	88,102,029	1,000,000	(51,392,804)	137,709,225	-	137,709,225
Invests in subsidiaries	-	-	-	-	-	4,850,020	4,850,020
Share subscriptions receivable of non-controlling interest	-	-	-	-	-	(4,850,015)	(4,850,015)
Profit(loss) for the year	-	-	-	30,194,698	30,194,698	(406,964)	29,787,734
Other comprehensive income for the year	-	-	-	(1,824,173)	(1,824,173)	-	(1,824,173)
Total comprehensive income for the year	-	-	-	28,370,525	28,370,525	(406,964)	27,963,561
Balance as at 31 December 2019	100,000,000	88,102,029	1,000,000	(23,022,279)	166,079,750	(406,959)	165,672,791

The notes to the financial statements are an integral part of these financial statements.

**M VISION PUBLIC COMPANY LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

In Baht					
Separate financial statements					
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings(Deficit)		Total
			Appropriated statutory reserve	Unappropriated	
Balance as at 1 January 2018	10,000,000	-	1,000,000	54,701,700	65,701,700
Increase in share capital	22 90,000,000	88,102,029	-	-	178,102,029
Dividends paid	24 -	-	-	(54,000,000)	(54,000,000)
Loss for the year	-	-	-	(50,463,564)	(50,463,564)
Other comprehensive income for the year	-	-	-	(1,630,940)	(1,630,940)
Total comprehensive income for the year	-	-	-	(52,094,504)	(52,094,504)
Balance as at 31 December 2018	<u>100,000,000</u>	<u>88,102,029</u>	<u>1,000,000</u>	<u>(51,392,804)</u>	<u>137,709,225</u>
Balance as at 1 January 2019	100,000,000	88,102,029	1,000,000	(51,392,804)	137,709,225
Profit for the year	-	-	-	30,645,786	30,645,786
Other comprehensive income for the year	-	-	-	(1,824,173)	(1,824,173)
Total comprehensive income for the year	-	-	-	28,821,613	28,821,613
Balance as at 31 December 2019	<u>100,000,000</u>	<u>88,102,029</u>	<u>1,000,000</u>	<u>(22,571,191)</u>	<u>166,530,838</u>

The notes to the financial statements are an integral part of these financial statements.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	In Baht		
	Consolidated	Separate	
	financial statements	financial statements	
	2019	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit(loss) before tax income(expenses)	37,071,735	37,929,787	(63,101,926)
Adjustments to reconcile profit(loss) to cash used in operating activities			
Gain from changes in value of current investments	-	-	(770)
Gain from sale of current investment	430,991	430,991	-
Bad debts and doubtful accounts	485,450	485,450	33,900
Loss on diminution in value of asset	-	-	184,000
Reversal of allowance for sales return	(118,915)	(118,915)	(158,584)
Reduction cost of inventories to net realisable value(reversal)	(222,471)	(222,471)	1,226,366
Share of loss from investments in associates	11,000	-	-
Depreciation	10,168,606	10,168,606	6,725,060
Amortization of intangible assets	1,725,960	1,720,230	1,373,740
Loss from write-off intangible assets	396,917	396,917	-
Gain on disposal of assets	(249,595)	(249,595)	-
Written off of withholding tax	21,543	21,543	-
Provisions for employee benefit obligations	1,179,659	1,179,659	2,160,505
Interest income	(197,347)	(194,082)	(146,158)
Interest expenses	2,283,094	2,283,094	2,434,370
Profit(loss) from operating before change in operating assets and liabilities	52,986,627	53,831,214	(49,269,497)
Decrease(increase) in operating assets			
Trade and other receivables	(45,443,533)	(44,902,604)	(100,410,932)
Inventories	(5,384,576)	(5,384,576)	(1,137,293)
Other current assets	(2,390,549)	(1,983,307)	(3,771,635)
Deposits and guarantees	225	225	(1,353,750)
Increase(decrease) in operating liabilities			
Trade and other payables	(33,475,460)	(33,559,660)	105,476,528
Other current liabilities	4,036,750	4,004,405	1,385,005
Cash paid in operating activities	(29,670,516)	(27,994,303)	(49,081,574)
Cash paid for income tax	(7,681,367)	(7,671,584)	(10,259,680)
Net cash flow used in operating activities	(37,351,883)	(35,665,887)	(59,341,254)

The notes to the financial statements are an integral part of these financial statements.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENT OF CASH FLOWS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	In Baht		
	Consolidated	Separate	
	financial statements	financial statements	
	2019	2019	2018
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Increase in restricted deposit at bank	(4,790,000)	(4,790,000)	-
Decrease(increase) in current investments	22,707,545	22,707,545	(23,140,000)
Cash paid for investment in subsidiaries	-	(2,599,995)	-
Cash paid for investment in associate	(1,999,995)	(1,999,995)	-
Interest received	197,347	194,082	146,158
Proceeds from sale of equipment	397,304	397,304	-
Cash paid for acquisition of plant and equipment	(8,563,942)	(8,419,942)	(11,844,238)
Cash paid for acquisition of intangible assets	(2,608,922)	(2,513,623)	(2,848,496)
Net cash flow provided by(used in) investing activities	<u>5,339,337</u>	<u>2,975,376</u>	<u>(37,686,576)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase in short-term loans from financial institutions	20,900,000	20,900,000	-
Cash paid for liabilities under finance lease agreements	(8,707,130)	(8,707,130)	(6,249,741)
Repayment of long-term loans	(5,056,783)	(5,056,783)	(4,847,248)
Interest paid	(2,283,094)	(2,283,094)	(2,434,370)
Proceeds from share capital	-	-	175,627,535
Cash received from non-controlling interests for paid up share capital of subsidiary	5	-	-
Dividends paid	-	-	(54,000,000)
Net cash flow provided by financing activities	<u>4,852,998</u>	<u>4,852,993</u>	<u>108,096,176</u>
<b>Net Increase(decrease) in cash and cash equivalents</b>	<u>(27,159,548)</u>	<u>(27,837,518)</u>	<u>11,068,346</u>
Cash and cash equivalents at beginning of year	<u>41,904,721</u>	<u>41,904,721</u>	<u>30,836,375</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>14,745,173</u></u>	<u><u>14,067,203</u></u>	<u><u>41,904,721</u></u>
<b>Supplement disclosures of cash flows information</b>			
Non-cash transactions			
Purchases of equipment under finance lease agreements	20,706,697	20,706,697	18,956,198
Purchases of equipment recorded in other payables	810,525	810,525	-
Investment in subsidiaries payable	-	2,549,985	-
Share subscription receivable of non-controlling Interest	4,850,015	-	-

The notes to the financial statements are an integral part of these financial statements.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**1. GENERAL INFORMATION**

M Vision Public Company Limited principally engaged in various events organizing businesses, including mobile phone, IT and electronics, exhibition, sport tournament, tourism campaign, seminar and others related to events. The Company is also a publisher and distributor online and offline media. In addition, the Company operate commercial business. The registered office of the Company is at 11/1 soi Ramkhamhaeng 121, Huamak, Bangkok, Bangkok.

According to the resolution of the Extraordinary Shareholders’ meeting No. 1/2018 held on 6 March 2018, it passed a resolution to transform a limited company to a public limited company and changed its registration name to “M Vision Public Company Limited”. The Company registered the transformation as a public company with the Ministry of Commerce on 9 March 2018.

The Company was listed on the Stock Exchange of Thailand on 7 August 2018 and the Company’s stocks were traded on the MAI (Market for Alternative Investment).

**2. BASIS FOR CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS PREPARATION**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRSs); guidelines promulgated by the Thailand Federation of Accounting Professions (“TFAC”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates.

The consolidated and separate financial statements are presented in Baht, which is also the Group’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest unit unless otherwise stated.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

For the convenience of the user, an English translation of the financial statements has been prepared from the financial statements that are issued in the Thai language.

The significant transactions between the Company and the its Subsidiaries have been eliminated in the consolidated financial statements.

The consolidated financial statements included the accounts of subsidiaries that the Company being influence over the control is as follow:

Company name	Established in the country	The date of commencing control	Percentage of holding by company	
			2019	2018
<b><u>Subsidiaries :</u></b>				
Idol Master Co., Ltd. <i>Rendering the consulting services of public relations communication</i>	Thailand	2 April 2019	52	-
Multitechnology Expert Co., Ltd. <i>Sales and service for information technology</i>	Thailand	24 April 2019	51	-

### **3. NEW FINANCIAL REPORTING STANDARDS**

#### **3.1 Financial reporting standards that became effective in the current period**

During the year, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

##### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue-Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Group's financial statements.

#### **3.2 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 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 following new standards which involve changes to key principles, which are summarised below

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

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

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 amortised 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 management of the Company and its subsidiaries expect that the adoption of these accounting standards to result in the adjustments of recognition of credit losses. The Group are to recognise an allowance for expected credit losses on its financial assets, and they are no longer necessary for a credit-impaired event to have occurred. The Group apply simplified approach to consider impairment of trade receivables.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

#### **TFRS 16 Leases**

TFRS 16 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 recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

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.

The management of the Group believe that the revised financial reporting standards will not have any significant impact on the financial statement when they are initially applied.

## **4. SIGNIFICANT ACCOUNTING POLICIES**

### **4.1 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### **4.2 Trade account receivable**

Trade receivable are carried at the net realisable value less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance for doubtful accounts is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written - off during the year in which they are identified.

### **4.3 Inventories**

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the first - in, first-out method of inventories. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges less all attributable discounts and rebates. Net realisable value is the estimate of the selling price in the ordinary course of business, less selling expenses.

The Company records as necessary for the allowance for diminution in value of products obsolete or worsen.

#### **4.4 Cost to fulfill a contract**

The Group recognised cost to fulfill a contract with a customer which generate or enhance resources of the entity that will be used in satisfying performance obligations in the future and the costs are expected to be recovered as an asset and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs.

#### **4.5 Investment**

Investments in unit trusts of mutual funds which the Company holds as trading investments are determined at fair value. Gains or losses arising from changes in the value of securities are included in statement of income. The fair value of unit trusts is determined from their net asset value.

The weight average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

#### **4.6 Investment in associate**

Associate is entity in which the Company has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Company holds between 20% and 50% of the voting power of another entity.

Investment in associate is accounted for in the financial statements in which the equity method is applied (equity-accounted investees) and is recognised initially at cost.

Investment in associate is accounted for in the financial statements in which the equity method is applied include the Company's share of profit or loss from the date that significant influence commences until the date that significant influence ceases. When the Company's share of losses exceeds its interest in an associate, the Company's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

Investment in associate is reported by using the cost method of accounting in the separate financial statements.

#### **4.7 Investments in subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains (losses) on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group, respectively.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment transactions and non-controlling interests.



The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

#### **4.8 Property, plant and equipment**

Property, plant and equipment are initially recorded at cost. All assets except for land are stated at historical cost less accumulated depreciation.

Depreciation of plant and equipment are calculated on the straight line method over their estimated useful lives are as follows:

	<u>No. of Years</u>
Buildings and building improvement	20
Event equipment	5
Office equipment and fixtures	5
Vehicles and parts	2, 3, 5, 10

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Estimated recoverable amount is the higher of the anticipated discounted cash flows from the continuing use of the asset and the amount obtainable from the sale of the asset less any costs of disposal.

Repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in operating profit.

Work in progress are stated at cost. These assets are not depreciated until such time as the relevant assets are completed and ready for their intended operational use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

#### **4.9 Intangible asset**

Costs associated with maintaining platforms are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the platforms product so that it will be available for use or sell;
- Management intends to complete the platforms product and use or sell it;
- There is an ability to use or sell the platforms product;
- It can be demonstrated how the platforms product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the platforms product are available; and
- The expenditure attributable to the platforms product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the platforms product include the platforms development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Intangible assets consists of software and platforms development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 3,5 and 10 years.

#### **4.10 Accounting for leases-where a company is the lessee**

Leases of assets which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding by considering each agreements separately. The outstanding rental obligations, net of finance charges, are included in other long-term liabilities.

The interest element of the finance cost is charged to the statement of comprehensive income over the lease period. The assets acquired under finance leases is depreciated over the useful life of the leased asset.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

#### **4.11 Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company and subsidiary expect a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

#### **4.12 Employee benefits**

##### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **Post-employment benefits**

###### **Defined contribution plans**

The Company, and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company contributions are recognised as expenses when incurred.

###### **Defined benefit plans**

The Company have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in other comprehensive income.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring-related costs.

#### **4.13 Revenue recognition**

Revenues from providing events recognized overtime based on stage of completion and when services are completed by using straight-line method based on length of service.

Income from advertising agency and service activities is recognized overtime based on stage of completion and when services are completed.

Revenue from sale of goods is recognized 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 discounts.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Unbilled receivables” in the statement of financial position. The amounts recognised as contract assets are reclassified to other receivables when the Company’s and its subsidiaries’ right to consideration is unconditional.

The obligation to provide to a customer for which the Company and its subsidiaries have received from the customer is presented under the caption of “Revenue received in advance” in the statement of financial position. Contract liabilities are recognised as revenue when the Company and its subsidiaries perform under the contract.

Interest income is recognized on a time proportion basis that reflects the effective yield on the asset.

#### **4.14 Income tax**

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

##### **Current tax**

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

##### **Deferred tax**

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

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

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

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

#### **4.15 Basic earnings (loss) per share**

Basic earnings (loss) per share is calculated by dividing the income by weighted average number of paid-up common shares during the years.

#### **4.16 Financial instruments**

Financial assets carried on the statement of financial position include cash and cash equivalents, current investments and trade and other receivables. Financial liabilities carried on the statement of

financial position include trade and other payables and loan. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

#### **4.17 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

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

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

#### **4.18 Significant accounting judgements and estimates**

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

##### Revenue from contracts with customers

###### *Identification of performance obligations*

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

###### *Determination of timing of revenue recognition*

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Company and its subsidiaries recognise revenue over time in the following circumstances:

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

Allowance for doubtful receivables

Allowance for doubtful receivables is considered based on analysis of aging and assessment of the current financial position of receivables and the prevailing economic condition. The Company determined the aging and status of customers for setting the allowance for doubtful accounts based on the outstanding balances.

Allowance for sale return

The estimated allowance of return on inventory is estimated based on the average return on sales compared with the averaged sales in the past.

Allowance for net realizable value

The Company considers the allowance for net realizable value based on the estimate of selling price in the ordinary course of business and normal condition of inventory. The net realizable value is the estimate of the selling price in the ordinary course of business, less selling expenses.

Property plant and equipment/Depreciation/Intangible assets

In determining depreciation of plant and equipment and amortization of intangible assets, the management is required to make estimates of the useful lives and residual values of the Company's plant and equipment and intangible assets and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

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.

Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

**4.19 Related person and companies**

Persons and companies 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 personal, 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.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
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In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

**5. TRANSACTIONS WITH RELATED PERSONS AND COMPANIES**

**5.1 Relationships and pricing policies**

The relationship and pricing policies among the Company, related persons and companies are as follows:

	<u>Relationships</u>	<u>Description</u>	<u>Pricing Policy</u>
<b><u>Subsidiaries :</u></b>			
Idol Master Co., Ltd.	Shareholding by the Company	Service income	At contract price which had been agreed upon
		Service expenses	Normal price comparable charged to others
Multitechnology Expert Co., Ltd.	Shareholding by the Company	Service income	At contract price which had been agreed upon
<b><u>Associate :</u></b>			
MR Connex Co., Ltd.	Shareholding by the Company	Service income	At contract price which had been agreed upon
<b><u>Related Companies :</u></b>			
MV Foods Co., Ltd.	Common directors and shareholders	Purchase of goods	Normal price comparable charged to others
Bike Zone Co., Ltd.	Common director	Purchase equipment	Normal price comparable charged to others
Forth Smart Service Public Company Limited	Common director and management	Service income	Normal price comparable charged to others
		Service expenses	At contract price which had been agreed upon
Related Persons	Directors	Guarantee	No fee charge

**5.2 Balances of transactions between the Company with subsidiaries and related companies**

Balances of transactions between the Company with subsidiaries and related companies as at 31 December 2019 and 2018 are as follows:

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2019	2019	2018
<b>Other receivables</b> (Note 9)			
Subsidiaries	-	62,073	-
<b>Advances payment for inventories</b> (Note 9)			
Related companies	2,407,500	2,407,500	2,407,500
<b>Trade account payables</b> (Note 17)			
Related companies	-	-	274,130

**5.3 Revenues and expenses transactions between the Company and related persons and companies**

Revenues and expenses transactions between the Company and related persons and companies for the years ended 31 December 2019 and 2018 are as follows:

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2019	2019	2018
<b>Other income</b>			
Subsidiaries	-	135,000	-
<b>Service income</b>			
Related company	-	-	899,261
<b>Purchase of goods and equipment</b>			
Related companies	344,776	344,776	9,225,980
<b>Service expenses</b>			
Subsidiaries	-	120,000	-
<b>Directors and management's remuneration</b>			
Short-term employee benefits	25,336,927	25,336,927	25,849,346
Post-employment benefits	576,583	576,583	1,481,630
Total	25,913,510	25,913,510	27,330,976

**6. CASH AND CASH EQUIVALENTS**

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2019	2019	2018
Cash on hand	78,966	74,783	58,310
Deposits at financial institutions			
- current account	1,290,972	1,267,291	40,000

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

Deposits at financial institutions			
- savings account	13,375,235	12,725,129	41,806,411
Total	<u>14,745,173</u>	<u>14,067,203</u>	<u>41,904,721</u>

As at 31 December 2019, the weighted average effective interest rates of deposits at financial institutions were 0.25-0.50% per annum. (2018 : 0.50% per annum).

**7. CURRENT INVESTMENTS**

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2019	2019	2018
Fixed deposits	2,234	2,234	3,140,000
Trading investment-opened mutual fund	-	-	20,000,770
Total	<u>2,234</u>	<u>2,234</u>	<u>23,140,770</u>

The movement in trading investments-opened mutual fund as at 31 December 2019 and 2018 are as follows:

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2019	2019	2018
Opening balance	20,000,770	20,000,770	-
Additions	20,000,000	20,000,000	20,000,000
Disposal during the year	(40,431,761)	(40,431,761)	-
Gain on change in fair value	-	-	770
Gain on sales of short-term investment	430,991	430,991	-
Ending balance	<u>-</u>	<u>-</u>	<u>20,000,770</u>

**8. RESTRICTED DEPOSIT AT BANK-CURRENT PORTION**

As at 31 December 2019, bank deposits of Baht 4.8 million have been pledged as collateral against loans from two local banks as describes in Notes 16 and 33 to the financial statements. Restricted deposit as collateral for the redemption within one year are considered by the repayment schedule according to the agreed conditions and the terms of the guarantee contract.

**9. TRADE AND OTHER RECEIVABLES**

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2019	2019	2018
Trade account receivables-net	114,979,447	114,485,047	74,716,624
Unbilled receivables	9,568,340	9,568,340	3,997,175



**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

Advances payment for inventories-related companies (Note 5.2)	2,407,500	2,407,500	2,407,500
Prepaid contract costs	45,739,953	45,739,953	64,962,239
Advance payment for projects	20,499,679	20,445,455	2,060,293
Other receivables-subsiidiaries (Note 5.2)	-	62,073	-
Other receivables-other companies	67,500	13,122	41,590
Total	<u>193,262,419</u>	<u>192,721,490</u>	<u>148,185,421</u>

Aging of trade receivables as at 31 December 2019 and 2018 are as follows:

	In Baht		
	Consolidated	Separate financial statements	
	financial statements	2019	2018
	2019	2019	2018
Trade account receivables			
Net yet due	69,560,320	69,065,920	52,739,223
Overdue:			
Less than 3 months	25,588,703	25,588,703	4,079,830
3-6 months	19,498,824	19,498,824	10,586,515
7-12 months	331,600	331,600	7,429,971
Over 12 months	325,150	325,150	33,900
Total	<u>115,304,597</u>	<u>114,810,197</u>	<u>74,869,439</u>
<u>Less</u> Allowance for doubtful accounts	<u>(325,150)</u>	<u>(325,150)</u>	<u>(33,900)</u>
<u>Less</u> Allowance for sale return	<u>-</u>	<u>-</u>	<u>(118,915)</u>
Trade account receivables-net	<u>114,979,447</u>	<u>114,485,047</u>	<u>74,716,624</u>

During the year 2019, the Company wrote-off bad debt of Baht 194,200. The management of the Company believes that allowance for doubtful debts in the financial statements is adequate in the current circumstances.

**10. INVENTORIES**

	In Baht		
	Consolidated	Separate financial statements	
	financial statements	2019	2018
	2019	2019	2018

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

Inventories	9,877,425	9,877,425	4,492,849
<u>Less</u> Allowance for diminution in value of inventories	<u>(1,087,511)</u>	<u>(1,087,511)</u>	<u>(1,309,982)</u>
Inventories-net	<u>8,789,914</u>	<u>8,789,914</u>	<u>3,182,867</u>

During the year 2019, the Company reduced cost of inventories by Baht 0.2 million (2018: Baht 1.2 million), to reflect the net realisable value. This was presented as cost of sales.

**11. OTHER CURRENT ASSETS**

	In Baht		
	Consolidated	Separate financial statements	
	financial statements	2019	2018
Undue input vat	5,148,993	5,144,815	6,706,758
Deposits	3,949,314	3,546,250	185,000
<u>Less</u> Allowance for diminution in value of asset	<u>-</u>	<u>-</u>	<u>(184,000)</u>
Total	<u>9,098,307</u>	<u>8,691,065</u>	<u>6,707,758</u>

During the year 2019, the Company wrote-off bad debt of Baht 184,000.

**12. INVESTMENT IN ASSOCIATE**

**Consolidated and Separate financial statements as at 31 December 2019**

Activities	Paid up Capital (In Baht)	% Holdings	At Cost (In Baht)	At
				Equity (In Baht)
MR Connex Co., Ltd.	5,000,000	40	1,999,995	1,988,995

The Board of Directors Meeting of the Company No. 1/2019 held on 26 February 2019 has approved the investment in a new company, MR Connex Co., Ltd., in the proportion of 40 percent of the registered capital. The associated company registered the establishment of the company with the Ministry of Commerce in April 2019 and called for full share payment.

**Share of loss from investments in associate**

During the year 2019, the Company has recognised its share of loss from investments in associated companies in the consolidated financial statements in amount of Baht 11,000.

Summarised information about financial position of the associate as at 31 December 2019.

	(In Thousand Baht)
	<u>Amount</u>
Current assets	4,980
Current liabilities	<u>(8)</u>
<b>Net assets</b>	<u>4,972</u>
Shareholding percentage (%)	<u>40</u>
<b>Share of net assets</b>	<u>1,989</u>

Summarised information about comprehensive income of the associate for the year ended 31 December 2019.

(In Thousand Baht)

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>Amount</u>
Revenues	1
Loss	28

**13. INVESTMENTS IN SUBSIDIARIES**

**Separate financial statements as at 31 December 2019**

	<u>Activities</u>	<u>Paid up Capital (In Baht)</u>	<u>% Holdings</u>	<u>At Cost (In Baht)</u>
Idol Master Co., Ltd.	Rendering the consulting services of public relations communication and related services	5,000,000	52	2,599,995
Multitechnology Expert Co., Ltd.	Sales and service for information technology	5,000,000	51	<u>2,549,985</u>
				<u>5,149,980</u>

The Board of Directors Meeting of the Company No. 1/2019 held on 26 February 2019 has approved the investment in new companies, Idol Master Co., Ltd. and Multitechnology Expert Co., Ltd., in the proportion of 52 and 51 percent of the registered capital, respectively. Such subsidiaries registered the establishment of the company with the Ministry of Commerce in April 2019 and called for full share payment. The Company has not paid for shares of Multitechnology Expert Co., Ltd., therefore, as at 31 December 2019, the Company presented such outstanding balance as investment payables in the amount of Baht 2,549,985 in the separate financial statements.

**14.PROPERTY, PLANT AND EQUIPMENT**

**Consolidated financial statements as at 31 December 2019**

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	In Baht						Total
	Land	Building and Improvement	Event equipment	Office equipment and fixtures	Vehicles and parts	Work in process	
<b>As at 1 January 2019</b>							
Cost	8,000,000	22,595,234	2,602,748	10,111,825	49,368,690	-	92,678,497
<u>Less</u> Accumulated depreciation	-	(4,648,138)	(195,845)	(5,779,246)	(8,314,005)	-	(18,937,234)
Net book value	<u>8,000,000</u>	<u>17,947,096</u>	<u>2,406,903</u>	<u>4,332,579</u>	<u>41,054,685</u>	-	<u>73,741,263</u>
<b>Transaction during the year ended 31 December 2019</b>							
Opening net book value	8,000,000	17,947,096	2,406,903	4,332,579	41,054,685	-	73,741,263
<u>Add</u> Acquisition	-	-	2,041,347	2,367,817	25,528,000	144,000	30,081,164
<u>Less</u> Disposals and written off	-	-	-	(40,667)	(107,042)	-	(147,709)
Depreciation	-	(1,132,685)	(607,202)	(1,614,074)	(6,814,645)	-	(10,168,606)
Closing net book value	<u>8,000,000</u>	<u>16,814,411</u>	<u>3,841,048</u>	<u>5,045,655</u>	<u>59,660,998</u>	144,000	<u>93,506,112</u>
<b>As at 31 December 2019</b>							
Cost	8,000,000	22,595,234	4,644,095	12,411,289	74,208,839	144,000	122,003,457
<u>Less</u> Accumulated depreciation	-	(5,780,823)	(803,047)	(7,365,634)	(14,547,841)	-	(28,497,345)
Net book value	<u>8,000,000</u>	<u>16,814,411</u>	<u>3,841,048</u>	<u>5,045,655</u>	<u>59,660,998</u>	144,000	<u>93,506,112</u>

**Separate financial statements as at 31 December 2019 and 2018**

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	In Baht					Total
	Land	Building and Improvement	Event equipment	Office equipment and fixtures	Vehicles and parts	
As at 1 January 2018						
Cost	8,000,000	22,556,234	330,121	8,740,430	22,251,276	61,878,061
<u>Less</u> Accumulated depreciation	-	(3,518,419)	(37,499)	(4,329,574)	(4,326,682)	(12,212,174)
Net book value	<u>8,000,000</u>	<u>19,037,815</u>	<u>292,622</u>	<u>4,410,856</u>	<u>17,924,594</u>	<u>49,665,887</u>
Transaction during the year ended 31 December 2018						
Opening net book value	8,000,000	19,037,815	292,622	4,410,856	17,924,594	49,665,887
<u>Add</u> Acquisition	-	39,000	2,272,627	1,371,395	27,117,414	30,800,436
<u>Less</u> Depreciation	-	(1,129,719)	(158,346)	(1,449,672)	(3,987,323)	(6,725,060)
Closing net book value	<u>8,000,000</u>	<u>17,947,096</u>	<u>2,406,903</u>	<u>4,332,579</u>	<u>41,054,685</u>	<u>73,741,263</u>
As at 31 December 2018						
Cost	8,000,000	22,595,234	2,602,748	10,111,825	49,368,690	92,678,497
<u>Less</u> Accumulated depreciation	-	(4,648,138)	(195,845)	(5,779,246)	(8,314,005)	(18,937,234)
Net book value	<u>8,000,000</u>	<u>17,947,096</u>	<u>2,406,903</u>	<u>4,332,579</u>	<u>41,054,685</u>	<u>73,741,263</u>

In Baht

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Land	Building and Improvement	Event equipment	Office equipment and fixtures	Vehicles and parts	Total
Transaction during the year ended 31 December 2019						
Opening net book value	8,000,000	17,947,096	2,406,903	4,332,579	41,054,685	73,741,263
<u>Add</u> Acquisition	-	-	2,041,347	2,367,817	25,528,000	29,937,164
<u>Less</u> Disposals and written-off	-	-	-	(40,667)	(107,042)	(147,709)
Depreciation	-	(1,132,685)	(607,202)	(1,614,074)	(6,814,645)	(10,168,606)
Closing net book value	<u>8,000,000</u>	<u>16,814,411</u>	<u>3,841,048</u>	<u>5,045,655</u>	<u>59,660,998</u>	<u>93,362,112</u>
At 31 December 2019						
Cost	8,000,000	22,595,234	4,644,095	12,411,289	74,208,839	121,859,457
<u>Less</u> Accumulated depreciation	-	(5,780,823)	(803,047)	(7,365,634)	(14,547,841)	(28,497,345)
Net book value	<u>8,000,000</u>	<u>16,814,411</u>	<u>3,841,048</u>	<u>5,045,655</u>	<u>59,660,998</u>	<u>93,362,112</u>

As at 31 December 2019, land and building of the Company, with net book value amounting to Baht 24.8 million (2018 : Baht 25.9 million) are mortgaged as collateral for overdraft (Note 16) and long-term loans facilities (Note 19).

As at 31 December 2019, the Company had vehicles under finance lease agreements with net book values amounting to Baht 53.5 million (2018 : Baht 33.7 million).

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**15.INTANGIBLE ASSETS**

**Consolidated financial statements as at 31 December 2019**

	In Baht		
	Software	Intangible assets under development	Total
As at 1 January 2019			
Cost	5,884,175	619,235	6,503,410
<u>Less</u> Accumulated amortization	<u>(1,445,692)</u>	<u>-</u>	<u>(1,445,692)</u>
Net book value	<u>4,438,483</u>	<u>619,235</u>	<u>5,057,718</u>
Transactions during the year ended 31 December 2019			
Opening net book value	4,438,483	619,235	5,057,718
<u>Add</u> Additions	173,870	2,435,052	2,608,922
<u>Less</u> Loss from write-off intangible assets	<u>(396,917)</u>	<u>-</u>	<u>(396,917)</u>
Amortization	<u>(1,725,960)</u>	<u>-</u>	<u>(1,725,960)</u>
Closing net book value	<u>2,489,476</u>	<u>3,054,287</u>	<u>5,543,763</u>
As at 31 December 2019			
Cost	5,260,651	3,054,287	8,314,938
<u>Less</u> Accumulated amortization	<u>(2,771,175)</u>	<u>-</u>	<u>(2,771,175)</u>
Net book value	<u>2,489,476</u>	<u>3,054,287</u>	<u>5,543,763</u>



**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**Separate financial statements as at 31 December 2019 and 2018**

	In Baht		
	Software	Intangible assets under development	Total
As at 1 January 2018			
Cost	640,711	3,014,203	3,654,914
<u>Less</u> Accumulated amortization	(71,952)	-	(71,952)
Net book value	<u>568,759</u>	<u>3,014,203</u>	<u>3,582,962</u>
Transactions during the year ended 31 December 2018			
Opening net book value	568,759	3,014,203	3,582,962
<u>Add</u> Additions	-	2,848,496	2,848,496
Transfer in (transfer out)	5,243,464	(5,243,464)	-
<u>Less</u> Amortization	(1,373,740)	-	(1,373,740)
Closing net book value	<u>4,438,483</u>	<u>619,235</u>	<u>5,057,718</u>
As at 31 December 2018			
Cost	5,884,175	619,235	6,503,410
<u>Less</u> Accumulated amortization	(1,445,692)	-	(1,445,692)
Net book value	<u>4,438,483</u>	<u>619,235</u>	<u>5,057,718</u>
Transactions during the year ended 31 December 2019			
Opening net book value	4,438,483	619,235	5,057,718
<u>Add</u> Additions	78,571	2,435,052	2,513,623
<u>Less</u> Loss from write-off intangible assets	(396,917)	-	(396,917)
Amortization	(1,720,230)	-	(1,720,230)
Closing net book value	<u>2,399,907</u>	<u>3,054,287</u>	<u>5,454,194</u>
As at 31 December 2019			
Cost	5,165,352	3,054,287	8,219,639
<u>Less</u> Accumulated amortization	(2,765,445)	-	(2,765,445)
Net book value	<u>2,399,907</u>	<u>3,054,287</u>	<u>5,454,194</u>

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**16.SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS**

	Interest rate (per annum)	In Baht		
		Consolidated financial statements	Separate financial statements	
		2019	2019	2018
Promissory note	4-4.25 %	20,900,000	20,900,000	-

As at 31 December 2019 and 2018, the Company has the bank overdrafts facility with financial institution amounting to Baht 19.0 million, carried an interest at the rate of MOR per annum, guaranteed by land and structures there on of the Company as described in Note 14 to the financial statements. As at 31 December 2019, promissory note guaranteed by bank deposits as describes in Note 7 to the financial statements.

**17.TRADE AND OTHER PAYABLES**

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2019	2019	2018
Trade account payables-related companies (Note 5.2)	-	-	274,130
Trade account payables-other companies	45,001,813	45,001,813	57,194,676
Current portion of trade account payable (Note 18)	16,000,000	16,000,000	12,000,000
Revenue received in advance	7,309,148	7,309,148	29,573,862
Accrued expenses	18,684,334	18,600,134	5,551,917
Withholding tax payable	701,223	701,223	563,858
Other payables-other companies	855,850	855,850	58,860
Total	88,552,368	88,468,168	105,217,303

Revenue received in advance

As at 31 December 2019, revenue aggregating to Baht 74.5 million is expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of contracts with customers (2018: Baht 60.8 million). The Group expects to satisfy the performance obligations in year 2020 in amount of Baht 74.5 million.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**18. NON-CURRENT TRADE PAYABLES**

Consolidated and Separate financial statements

	In Baht	
	2019	2018
Trade account payable	33,987,537	45,987,537
<u>Less</u> Current portion of trade account payable (Note 17)	(16,000,000)	(12,000,000)
Net	<u>17,987,537</u>	<u>33,987,537</u>

As at 31 December 2019, the Company has an outstanding balance of account payable amounting Baht 34.0 million (2018 : Baht 46.0 million). The Company entered into the additional Memorandum of Understanding in respect of payment such account payable and shall have to comply with certain conditions as specified in the Memorandum of Understanding. The payment conditions in each periods are as follows:

1<sup>st</sup> year: repayment from May to December 2019 amounting Baht 12.0 million.

2<sup>nd</sup> year: repayment from January to December 2020 amounting Baht 16.0 million.

3<sup>rd</sup> year: repayment from January to December 2021 amounting Baht 18.0 million.

**19. LONG-TERM LOANS**

	Interest rates (per annum)	Payment	In Baht	
			<u>Consolidated and Separate financial statements</u>	
Loans			2019	2018
1. loans from a local financial institution	4-7 %	Monthly payment from 2013 to 2020	710,167	1,381,794
2. loans from a local financial institution	4-7 %	Monthly payment from 2013 to 2020	991,130	2,003,371
3. loans from a local financial institution	4-7 %	Monthly payment from 2015 to 2022	3,145,103	4,139,794
4. loans from a local financial institution	4%	Monthly payment from 2016 to 2023	2,370,223	3,081,780
5. loans from a local financial institution	4-7 %	Monthly payment from 2017 to 2022	2,571,713	3,549,695
6. loans from a local financial institution	3 %	Monthly payment from 2017 to 2024	<u>3,317,957</u>	<u>4,006,642</u>
Total			13,106,293	18,163,076
<u>Less</u> Current portion			(4,284,880)	(5,052,009)
<u>Less</u> Long-term loans reclassified as current liabilities			-	(4,274,775)
Long-term loans-net of current portion			<u>8,821,413</u>	<u>8,836,292</u>

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

Movement of the long-term loans from financial institutions for the years ended 31 December 2019 and 2018 are as follows:

	In Baht	
	2019	2018
Balance at the beginning of the year	18,163,076	23,010,324
Repayment loan during the year	<u>(5,056,783)</u>	<u>(4,847,248)</u>
Balance at the end of the year	<u>13,106,293</u>	<u>18,163,076</u>

The loan agreements contain covenants as specified in that among other things, require the Company to comply throughout periods of the loan agreements. The loan agreements are guaranteed by the Company's land and structures (Note 14) and certain directors.

The loan agreements contain certain covenants with which the Company must comply, with terms spacial, in the agreements. However, as at 31 December 2018, the Company was unable to comply with certain covenant under the agreements. Therefore, the Company presented the outstanding balances of these loans as current liabilities in the statements of financial position. Subsequently, in March 2019, the Company has obtained a letter of waiver of the covenant from the financial institution for the balance, therefore, the company classified such balances as non-current liabilities as of 31 December 2019.

**20. LIABILITIES UNDER FINANCE LEASE AGREEMENTS**

Liabilities under finance lease agreements is presented in the statements of financial position as at 31 December 2019 and 2018 are as follows:

	In Baht	
	Consolidated and Separate financial statements	
	2019	2018
Liabilities under finance lease agreements	41,161,236	26,914,320
<u>Less</u> Deferred interest and input tax	(6,381,970)	(4,134,621)
Current portion of liabilities under finance lease agreements	<u>(11,850,323)</u>	<u>(6,809,194)</u>
Net	<u>22,928,943</u>	<u>15,970,505</u>

The Company has entered into the finance lease agreements with leasing companies for lease of vehicles for use in their operations, whereby they are committed to pay rental on a monthly basis. The term of the agreements is generally 4-5 years. Liabilities under finance lease agreements are secured by certain director.

As at 31 December 2019, future minimum lease payments required under the finance lease agreements were as follows:

	(In Million Baht)		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	14.9	25.9	40.8
Deferred interest expenses	(3.0)	(3.0)	(6.0)
Present value of future minimum lease payments	<u>11.9</u>	<u>22.9</u>	<u>34.8</u>

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

As at 31 December 2018, future minimum lease payments required under the finance lease agreements were as follows:

	(In Million Baht)		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	8.7	18.2	26.9
Deferred interest expenses	(1.9)	(2.2)	(4.1)
Present value of future minimum lease payments	<u>6.8</u>	<u>16.0</u>	<u>22.8</u>

**21.EMPLOYEE BENEFIT OBLIGATIONS**

**Consolidated and Separate financial statements**

Movement in the present value of the defined benefit obligations:

	In Baht	
	2019	2018
<b>For the year ended 31 December</b>		
Defined benefit obligations at 1 January	7,564,313	3,365,134
Included in profit or loss :		
Current service cost	930,792	411,052
Past service cost	-	1,656,575
Interest cost	248,867	92,878
Actuarial gains		
Financial assumptions changes	2,344,072	(759,147)
Demographic assumptions changes	4,643	481,541
Experience adjustments	(68,498)	2,316,280
<b>Employee benefit obligations at 31 December</b>	<u>11,024,189</u>	<u>7,564,313</u>

Line items in profit or loss are recognized for the years ended 31 December 2019 and 2018 are as followed:

	In Baht	
	2019	2018
Administrative expenses	<u>1,179,659</u>	<u>2,160,505</u>

Principal actuarial assumptions at the reporting date for the years ended 31 December 2019 and 2018.

	2019	2018
Discount rate	1.9% per annum	3.3% per annum
Salary increase rate	5% per annum	5% per annum
Employee turnover rate	Scale related to age ranging from 2.4-28.7%	Scale related to age ranging from 2.4-28.7%
Mortality rate	According to Thailand TMO 2017 male and female tables	According to Thailand TMO 2017 male and female tables

The Company expect to not pay of long-term employee benefits during the next year.

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 19 years. (2018 : 20 years)

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Baht	
	Increase	Decrease
<b>Defined benefit obligation at 31 December 2019</b>		
Discount rate (50 basis points movement)	(943,549)	1,039,747
Discount rate (100 basis points movement)	(1,800,363)	2,186,262
Salary increase rate (1.0% movement)	2,088,883	(1,763,453)
Salary increase rate (2.0% movement)	4,561,009	(3,250,782)
Turnover rate (20% movement)	(1,579,423)	1,856,560
Turnover rate (40% movement)	(2,926,341)	4,045,890
	Baht	
	Increase	Decrease
<b>Defined benefit obligation at 31 December 2018</b>		
Discount rate (50 basis points movement)	(671,443)	742,329
Discount rate (100 basis points movement)	(1,279,168)	1,563,575
Salary increase rate (1.0% movement)	1,516,140	(1,268,505)
Salary increase rate (2.0% movement)	3,326,427	(2,328,724)
Turnover rate (20% movement)	(1,182,808)	1,411,431
Turnover rate (40% movement)	(2,176,489)	3,101,314

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 has announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. The Company recorded the effect of the change by recognizing past service costs as expenses in the statement of comprehensive income for the year ended 31 December 2018.

**22.SHARE CAPITAL**

On 2 March 2018, the 2018 Annual General Meeting of the shareholders passed a resolution to approve an increase in the registered share capital of Baht 55,000,000 through the issuance of 5,500 ordinary shares to the existing shareholders at a price of Baht 10,000 each. The registered share capital is from Baht 10,000,000 to Baht 65,000,000 which divided into 6,500 ordinary shares with a par value of Baht 10,000 each. The Company registered the increase in its share capital with the Ministry of Commerce on 5 March 2018.

On 6 March 2018, the Extraordinary General Meeting No.1/2018 of shareholders passed the following resolutions:

- 1.To approve to change the par value of the Company's ordinary shares from Baht 10,000 per share to Baht 0.50 per share (the registered share capital of Baht 65,000,000 is from 6,500 ordinary shares with a par value Baht 10,000 each to 130,000,000 ordinary shares with a par value Baht 0.50 each).
- 2.To approve to increase the registered share capital of the Company through the issuance of an additional capital of Baht 35,000,000 (70,000,000 ordinary shares with a par value Baht 0.50 each) from Baht 65,000,000 (130,000,000 ordinary shares with a par value Baht 0.50 each) to Baht 100,000,000 (200,000,000 ordinary shares with a par value Baht 0.50 each).

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

3.To approve to allocate of 70,000,000 additional ordinary shares with a par value Baht 0.50 each to be issued through an Initial Public Offering.

During 31 July and 1-2 August 2018, the Company made an Initial Public Offering of 70,000,000 additional ordinary shares at a price of Baht 1.90 per share and received full settlement of the additional share capital on 3 August 2018, with a par value of Baht 0.50 per share. This resulted in premium on ordinary shares amounting to Baht 88.1 million, net of direct costs attributable to the share offering (net of income tax) amounting to Baht 9.9 million. The Company registered the increase in its paid-up capital with the Ministry of Commerce on 3 August 2018.

As at 31 December 2019 and 2018, the Company has the registered share capital amounting to Baht 100 million (200,000,000 ordinary shares of Baht 0.50 each) and the paid-up share capital amounting to Baht 100 million (200,000,000 ordinary shares of Baht 0.50 each).

**23.LEGAL RESERVE**

The legal reserve of the Company was established in accordance with the provisions of the Thai public Company Limited Act B.E. 2535, which requires the appropriation as legal reserve of at least 5% of income for the year until the reserve reaches 10% of the authorized share capital. This reserve is not available for dividend distribution.

**24.DIVIDENDS PAID**

Dividend	Approved by	Dividend (Baht)	Dividend per share (Baht per share)	Date of dividend payment
Dividend paid from the retained earnings	Annual General Meeting of the shareholders on 2 March 2018	54,000,000	54,000	2 March 2018

**25.EXPENSES BY NATURE**

Significant expenses by nature for the years ended 31 December 2019 and 2018 are as follows:

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2019	2019	2018
Services cost	200,744,974	199,507,966	124,739,155
Purchases in inventories	23,867,583	23,867,583	267,552,728
Changes in inventories	4,974,069	4,974,069	692,870
Employee expense	53,204,900	53,204,900	68,220,243
Depreciation of fixed assets and amortization of intangible assets	11,894,566	11,888,836	8,098,800

**26.INCOME TAX**

Tax income for the years ended 31 December 2019 and 2018 are made up as follows:

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2019	2019	2018

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**Income tax recognized in profit or loss**

**Current income tax:**

Corporate income tax

- - -

**Deferred tax:**

Relating to origination and reversal of temporary differences

7,284,001 7,284,001 (12,638,362)

**Total**

7,284,001 7,284,001 (12,638,362)

In Baht

Consolidated  
financial  
statements

Separate financial  
statements

2019 2019 2018

Income tax recognised in other comprehensive income

Actuarial loss

(456,044) (456,044) (407,735)

Effects of income tax related to the share offering

- - (2,474,493)

In Baht

Consolidated  
financial  
statements

Separate financial  
statements

2019 2019 2018

Reconciliation of effective tax rate

Accounting profit(loss) before income tax

37,071,736 37,929,787 (63,101,926)

Applicable corporate income tax rate(20%)

Income tax using the Thai corporation tax rate

7,414,347 7,585,957 (12,620,385)

Taxable loss of current year recognized to deferred income tax assets

- - 14,292,559

Utilisation of previously unrecognised deferred tax assets on tax losses

(7,170,218) (7,170,218) -

Tax losses for the year which deferred tax assets have not been recognised

169,410 - -

Share of loss from investments in associates

2,200 - -

Addition expenses deductible for tax purposes

(786,581) (786,581) (2,715,786)

Expenses not deductible for tax purposes

370,842 370,842 1,043,612

**Current tax**

Relating to origination and reversal of temporary differences

7,284,001 7,284,001 (12,638,362)

**Tax expenses(income)**

7,284,001 7,284,001 (12,638,362)



**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

Deferred tax assets is presented in the statements of financial position as at 31 December 2019 and 2018 are as follows:

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2019	2019	2018
<b>Deferred tax assets</b>			
Trade account receivables	65,030	65,030	6,780
Inventories	217,502	217,502	261,996
Deposits	-	-	36,800
Employee benefit obligations	2,204,838	2,204,838	1,512,862
Unused tax losses	7,122,401	7,122,401	14,292,559
Total Deferred tax assets	<u>9,609,771</u>	<u>9,609,771</u>	<u>16,110,997</u>
<b>Deferred tax liabilities</b>			
Property, plant and equipment	646,997	646,997	280,773
Intangible assets	28,386	28,386	67,879
Total deferred tax liabilities	<u>675,383</u>	<u>675,383</u>	<u>348,652</u>
<b>Deferred tax assets-net</b>	<u><u>8,934,388</u></u>	<u><u>8,934,388</u></u>	<u><u>15,762,345</u></u>

**27. PROVIDENT FUND**

The Company established a contributory registered provident fund in accordance with the provident fund Act, B.E.2530. Under the plan, the employees contribute monthly the amounts equivalent 3-5% of their basic salaries. The Company contributes at the rates of 3-5% of the employees basic salaries. For the year ended 31 December 2019, the Company's contribution to the provident fund recorded in the financial statements is Baht 1.5 million (2018 : 1.3 million)

**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 Company operations are mainly carried on in the geographic area of Thailand. Management demonstrated and structured business units to three principal reportable segments as follows;

1. Event organizing segment comprising mobile phone, IT and technology exhibition, sport tournament, tourism campaign, seminar and others related to event.
2. Media and agency segment comprising publishing and distribution online and offline media and marketing activities agency.
3. Commerce segment comprising sale of goods i.e. mobile phone, smart phone, tablet, accessories, electronics, electronic motorcycle and technology equipment.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

***Diegation of revenue***

The Group has recognized revenue from sale of goods and rendering of services to customer at a point in time and overtime by type of goods or main services according to the disclosure of segment financial information and disaggregation of revenue for the years ended 31 December 2019 and 2018 are as follows:

	In Thousand Baht	
	Consolidated financial statements	
	2019	2018
<b>Revenue by segment</b>		
Event organizing	262,476	166,824
Media and agency	51,926	60,323
Commerce	18,993	223,349
<b>Total</b>	<b>333,395</b>	<b>450,496</b>
<b>Timing of revenue recognition</b>		
Point in time		
Event organizing	28,175	11,942
Media and agency	48,797	27,035
Commerce	-	-
<b>Total</b>	<b>76,972</b>	<b>38,977</b>
Overtime		
Event organizing	234,301	154,882
Media and agency	3,129	33,288
Commerce	18,993	223,349
<b>Total</b>	<b>256,423</b>	<b>411,519</b>

**Consolidated financial statements**

The following tables present revenue and profit information regarding the Group's operating segments for the year ended 31 December 2019.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

(In Thousand Baht)

Revenue Type	Event organizing	Media and agency	Commerce	Total
Revenues	262,476	51,926	18,993	333,395
Segment profit	102,432	4,633	1,444	108,509
Other income				1,021
Distribution cost				(11,742)
Administrative expenses				(58,422)
Finance expenses				(2,283)
Profit before share of loss from investments in associates				37,083
Share of loss from investments in associates				(11)
Profit before tax expenses				37,072
Tax expenses				(7,284)
Profit for the year				29,788
<b>Segment total assets as at 31 December 2019</b>				
Trade and other receivables	160,465	20,108	1,856	182,429
Unallocated trade and other receivables	-	-	-	10,833
Inventories	-	-	8,790	8,790

**Separate financial statements**

The following tables present revenue and profit information regarding the Company's operating segments for the year ended 31 December 2019 and 2018, respectively.

(In Thousand Baht)

Revenue Type	Event organizing		Media and agency		Commerce		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenues	261,819	166,823	51,916	60,324	18,993	223,349	332,728	450,496
Segment profit(loss)	102,892	70,849	4,623	26,690	1,444	(70,017)	108,959	27,522
Other income							1,153	357
Distribution cost							(11,729)	(20,459)
Administrative expenses							(58,170)	(68,088)
Finance expenses							(2,283)	(2,434)
Profit(loss) before tax income(expenses)							37,930	(63,102)
Tax income(expenses)							(7,284)	12,638
Profit(loss) for the year							30,646	(50,464)
<b>Segment total assets</b>								
Trade and other receivables	159,971	75,190	20,108	39,786	1,856	30,163	181,935	145,139
Unallocated trade and other receivables	-	-	-	-	-	-	10,786	3,047
Inventories	-	-	-	-	8,790	3,183	8,790	3,183

**Major customers' information**

In 2019, the Group has revenue from 4 major customer, represented at 55% of total revenues (2018: a major customer, represented at 13% of total revenues).

**29.LITIGATION**

In September 2018, the Company was sued by a disputant company for its non-compliance with the memorandum signed in August 2018, claiming a compensation for damage of Baht 9.2 million. As on 13 December 2018, the Company has submitted its testimony responding and counterclaiming for damages in the amount by Baht 106.3 million, including the interest, on the ground of the breach of contract against the Company.

The Company’s lawyer suggested that the Company had not breached the above memorandum, and the Company’s management concurred that the case would be ruled in the favor of the Company. Consequence, the Company has not established any loss reserve in its accounts.

**30.FAIR VALUE OF FINANCIAL INSTRUMENTS**

**Consolidated and Separate financial statements**

As at 31 December 2018, the Company had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	31 December 2018			(Unit:Baht)
	Level 1	Level 2	Level 3	<b>Total</b>
	<b>Assets measured at fair value</b>			
Trading investments-opened mutual fund	-	20,000,770	-	20,000,770

**31.FINANCIAL INSTRUMENTS**

**31.1 Credit risk**

The Company exposed to credit risks mainly relating to their trade accounts receivable. However, the management has policies to provide adequate allowances for any possible losses that might be incurred in connection with their receivables.

**31.2 Interest rate risk**

The Company was exposed to interest risks because it held deposits to and short-term and long-term loan from financial institutions. However, such financial assets and liabilities are short-term bear floating interest rates or fixed interest rates which are close to the market rate, the Company believed that the future fluctuation on market interest rate would not provide significant effect to their operation and cash flow; therefore, no financial derivative was adopted to manage such risks.

**31.3 Fair value of financial instruments**

Since the majority of the Company's financial instruments are short-term in nature, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

A fair value is the amount for which an asset can be exchanged between knowledgeable, willing parties in an arm’s length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

**32.CONTRACT COMMITMENT**

As at 31 December 2019, the Company entered into the operating lease agreements in respect of the lease of vehicles. The term of agreements were 1 to 5 years. The Company had future minimum lease payments under the operating lease agreements, as follows:

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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<u>Year</u>	<u>In Million Baht</u>
Repayments within 1 year	1.1
Repayments over 1 to 5 years	0.5

**33. GUARANTEES**

As at 31 December 2019, there were outstanding bank guarantees of approximately Baht 7.3 million issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business of the Company including those to guarantee performance in accordance with contracts, and for electricity use.

**34. 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.

As at 31 December 2019, financial statements is applied debt to equity ratio is 1.2:1 (2018 : 1.4:1)

**35. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements have been approved by the Company's Board of Directors on 21 February 2020.