

## **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 2020, 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 2020, 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. 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 are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. 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 judgement, were of most significance in my audit of the financial statements of the current period. These 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 matters.

Key audit matters and how audit procedures respond for each matter 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 discussion as describe in Note 5.13 to the financial statements. Revenue are considered as significant transaction 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 27 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 the information included in the annual report, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I 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 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. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **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 the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group 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.

CHAMAPORN RODLOYTUK  
Certified Public Accountant  
Registration No. 9211

AST Master Co., Ltd.  
25 February 2021

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

FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

EXPRESSED IN THAI BAHT

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

**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2020**

<b>ASSETS</b>	<b>Notes</b>	<b>In Baht</b>			
		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	7	4,456,926	14,745,173	4,424,008	14,067,203
Trade and other current receivables	8	116,495,245	193,262,419	116,384,296	192,721,490
Inventories	9	7,492,742	8,789,914	7,492,742	8,789,914
Restricted deposit at bank-current portion	10	3,500,000	4,790,000	3,500,000	4,790,000
Other current financial assets-fixed deposit		16,921	2,234	16,921	2,234
Other current assets	11	7,263,157	9,098,307	6,857,992	8,691,065
Total current assets		139,224,991	230,688,047	138,675,959	229,061,906
<b>NON-CURRENT ASSETS</b>					
Investment in associate	12	1,981,272	1,988,995	1,999,995	1,999,995
Investments in subsidiaries	13	-	-	6,349,980	5,149,980
Property, plant and equipment	14	111,308,928	93,506,112	111,164,928	93,362,112
Intangible assets	15	5,623,591	5,543,763	5,543,551	5,454,194
Deferred tax assets	24	8,604,114	8,934,388	8,604,114	8,934,388
Income tax refundable		21,704,501	16,844,225	21,700,298	16,834,442
Deposits and guarantee		1,185,950	1,178,450	1,185,950	1,178,450
Total non-current assets		150,408,356	127,995,933	156,548,816	132,913,561
<b>TOTAL ASSETS</b>		<b>289,633,347</b>	<b>358,683,980</b>	<b>295,224,775</b>	<b>361,975,467</b>

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 2020**

	Notes	In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
<b><u>LIABILITIES AND SHAREHOLDERS' EQUITY</u></b>					
<b>CURRENT LIABILITIES</b>					
Overdrafts and short-term loans from					
financial institutions	16	-	20,900,000	-	20,900,000
Trade and other current payables	17	59,837,719	88,552,368	59,831,219	88,468,168
Investment payables	13	-	-	3,749,985	2,549,985
Current portion of long-term loans	19	5,281,108	4,284,880	5,281,108	4,284,880
Current portion of lease liabilities	20	13,799,962	11,850,323	13,799,962	11,850,323
Other current liabilities		5,178,395	6,661,536	5,167,960	6,629,191
Total current liabilities		<u>84,097,184</u>	<u>132,249,107</u>	<u>87,830,234</u>	<u>134,682,547</u>
<b>NON-CURRENT LIABILITIES</b>					
Long-term loans	19	35,476,693	8,821,413	35,476,693	8,821,413
Lease liabilities	20	36,505,389	22,928,943	36,505,389	22,928,943
Non-current trade payable	18	-	17,987,537	-	17,987,537
Employee benefit obligations	21	7,590,316	11,024,189	7,590,316	11,024,189
Total non-current liabilities		<u>79,572,398</u>	<u>60,762,082</u>	<u>79,572,398</u>	<u>60,762,082</u>
<b>TOTAL LIABILITIES</b>		<u>163,669,582</u>	<u>193,011,189</u>	<u>167,402,632</u>	<u>195,444,629</u>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital					
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>	<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	100,000,000
Premium on share capital		88,102,029	88,102,029	88,102,029	88,102,029
Retained earnings(Deficit)					
Appropriated statutory reserve	22	1,000,000	1,000,000	1,000,000	1,000,000
Deficit		<u>(62,688,532)</u>	<u>(23,022,279)</u>	<u>(61,279,886)</u>	<u>(22,571,191)</u>
Total equity attributable to the parent company		126,413,497	166,079,750	127,822,143	166,530,838
Non-controlling interests	13	<u>(449,732)</u>	<u>(406,959)</u>	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<u>125,963,765</u>	<u>165,672,791</u>	<u>127,822,143</u>	<u>166,530,838</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u>289,633,347</u>	<u>358,683,980</u>	<u>295,224,775</u>	<u>361,975,467</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 2020**

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2020	2019	2020	2019
	Revenues from sales	1,737,266	19,003,630	1,737,266	19,003,630
	Service income	204,455,023	314,391,478	204,361,565	313,724,422
	Other income	2,888,784	1,021,018	2,860,597	1,152,754
	Total revenues	<u>209,081,073</u>	<u>334,416,126</u>	<u>208,959,428</u>	<u>333,880,806</u>
	Cost of sales	2,665,451	17,694,449	2,645,451	17,694,449
	Cost of services	175,599,666	207,191,490	175,719,666	206,074,482
	Cost of distributions	11,100,001	11,741,858	10,286,606	11,728,985
	Administrative expenses	59,748,175	58,422,500	59,153,139	58,170,009
	Total expenses	<u>249,113,293</u>	<u>295,050,297</u>	<u>247,804,862</u>	<u>293,667,925</u>
	<b>Profit(loss) from operating activities</b>	(40,032,220)	39,365,829	(38,845,434)	40,212,881
	Finance cost	(4,275,559)	(2,283,094)	(4,275,559)	(2,283,094)
	Share of loss from investments in associate	12 (7,723)	(11,000)	-	-
	<b>Profit(loss) before tax income(expenses)</b>	(44,315,502)	37,071,735	(43,120,993)	37,929,787
	Tax income(expenses)	24 618,241	(7,284,001)	618,241	(7,284,001)
	<b>Profit(loss) for the year</b>	(43,697,261)	29,787,734	(42,502,752)	30,645,786
	<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 gain (losses)	4,742,571	(2,280,217)	4,742,571	(2,280,217)
	<u>Less</u> Tax effect	(948,514)	456,044	(948,514)	456,044
	<b>Other comprehensive income for the year</b>	<u>3,794,057</u>	<u>(1,824,173)</u>	<u>3,794,057</u>	<u>(1,824,173)</u>
	<b>Total comprehensive income for the year</b>	<u>(39,903,204)</u>	<u>27,963,561</u>	<u>(38,708,695)</u>	<u>28,821,613</u>
	<b>Profit(loss) attributable to:</b>				
	Equity holders of the parent	(43,460,310)	30,194,698	(42,502,752)	30,645,786
	Non-controlling interests	13 (236,951)	(406,964)	-	-
		<u>(43,697,261)</u>	<u>29,787,734</u>	<u>(42,502,752)</u>	<u>30,645,786</u>
	<b>Total comprehensive income attributable to:</b>				
	Equity holders of the parent	(39,666,253)	28,370,525	(38,708,695)	28,821,613
	Non-controlling interests	13 (236,951)	(406,964)	-	-
		<u>(39,903,204)</u>	<u>27,963,561</u>	<u>(38,708,695)</u>	<u>28,821,613</u>
	<b>BASIC EARNINGS(LOSS) PER SHARE</b>				
	Equity holders of the parent	<u>(0.22)</u>	<u>0.15</u>	<u>(0.21)</u>	<u>0.15</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 2020**

	In Baht						
	Consolidated financial statements						
	Issued and paid-up share capital	Premium on share capital	Retained earnings(Deficit) Appropriated		Total other components of the parent company	Non-controlling interests	Total
			statutory reserve	Deficit			
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
Balance as at 1 January 2020	100,000,000	88,102,029	1,000,000	(23,022,279)	166,079,750	(406,959)	165,672,791
Changes in share premium on ordinary shares	-	-	-	-	-	194,178	194,178
Loss for the year	-	-	-	(43,460,310)	(43,460,310)	(236,951)	(43,697,261)
Other comprehensive income for the year	-	-	-	3,794,057	3,794,057	-	3,794,057
Total comprehensive income for the year	-	-	-	(39,666,253)	(39,666,253)	(236,951)	(39,903,204)
Balance as at 31 December 2020	100,000,000	88,102,029	1,000,000	(62,688,532)	126,413,497	(449,732)	125,963,765

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 2020**

	In Baht					
	Separate financial statements					
	Issued and paid-up share capital	Premium on share capital	Retained earnings(Deficit)			Total
			Appropriated statutory reserve	Deficit		
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	100,000,000	88,102,029	1,000,000	(22,571,191)	166,530,838	
Balance as at 1 January 2020	100,000,000	88,102,029	1,000,000	(22,571,191)	166,530,838	
Loss for the year	-	-	-	(42,502,752)	(42,502,752)	
Other comprehensive income for the year	-	-	-	3,794,057	3,794,057	
Total comprehensive income for the year	-	-	-	(38,708,695)	(38,708,695)	
Balance as at 31 December 2020	100,000,000	88,102,029	1,000,000	(61,279,886)	127,822,143	

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 2020**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit(loss) before tax income(expense)	(44,315,502)	37,071,735	(43,120,993)	37,929,787
Adjustments to reconcile profit(loss) to cash used in operating activities				
Gain from changes in value of investments	(569)	-	(569)	-
Gain from sale of investment	(467)	430,991	(467)	430,991
Allowance for sales return	-	(118,915)	-	(118,915)
Allowance for expected credit losses(2019 : Doubtful accounts)	7,338,473	485,450	7,093,773	485,450
Reduction cost on inventories to net realisable value(reversal)	400,210	(222,471)	400,210	(222,471)
Share of loss from investment in associate	7,723	11,000	-	-
Loss from change in ownership interest in subsidiary	194,178	-	-	-
Depreciation	14,623,808	10,168,606	14,623,808	10,168,606
Amortization of intangible assets	1,540,172	1,725,960	1,530,643	1,720,230
Disposal of intangible assets	-	396,917	-	396,917
Gain on disposal of assets	(237,660)	(249,595)	(237,660)	(249,595)
Amortization of supplies	112,711	-	112,711	-
Written off of withholding tax	-	21,543	-	21,543
Provisions for employee benefit obligations	1,308,698	1,179,659	1,308,698	1,179,659
Interest income	(51,289)	(197,347)	(23,103)	(194,082)
Interest expenses	4,275,559	2,283,094	4,275,559	2,283,094
Profit(loss) from operating before change in operating assets and liabilities	(14,803,956)	52,986,627	(14,037,391)	53,831,214
Decrease(increase) in operating assets				
Trade and other current receivables	69,428,701	(45,443,533)	69,243,421	(44,902,604)
Inventories	784,252	(5,384,576)	784,252	(5,384,576)
Other current assets	1,835,150	(2,390,549)	1,833,073	(1,983,307)
Deposits and guarantees	(7,500)	225	(7,500)	225
Increase(decrease) in operating liabilities				
Trade and other current payables	(46,708,186)	(33,475,460)	(46,802,657)	(33,559,660)
Other current liabilities	(1,655,310)	4,036,750	(1,461,230)	4,004,405
Cash received (paid) from operating activities	8,873,151	(29,670,516)	9,551,968	(27,994,303)
Cash paid for income tax	(4,860,277)	(7,681,367)	(4,865,856)	(7,671,584)
Net cash flow provided by(used in) operating activities	4,012,874	(37,351,883)	4,686,112	(35,665,887)

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 2020**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease(increase) in restricted deposit at bank	1,290,000	(4,790,000)	1,290,000	(4,790,000)
Increase(decrease) in short term investment	(13,651)	22,707,545	(13,651)	22,707,545
Cash paid for investment in subsidiary	-	-	-	(2,599,995)
Cash paid for investment in associate	-	(1,999,995)	-	(1,999,995)
Interest received	51,289	197,347	23,103	194,082
Proceeds from sale of equipment	597,197	397,304	597,197	397,304
Cash paid for acquisition of plant and equipment	(9,009,296)	(8,563,942)	(9,009,296)	(8,419,942)
Cash paid for acquisition of intangible assets	(1,620,000)	(2,608,922)	(1,620,000)	(2,513,623)
Net cash flow provided by(used in) investing activities	<u>(8,704,461)</u>	<u>5,339,337</u>	<u>(8,732,647)</u>	<u>2,975,376</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase(decrease) in short-term loans from financial institutions	(20,900,000)	20,900,000	(20,900,000)	20,900,000
Cash paid for lease liabilities	(8,244,780)	(8,707,130)	(8,244,780)	(8,707,130)
Cash received from long-term loans	30,000,000	-	30,000,000	-
Repayment of long-term loans	(2,348,492)	(5,056,783)	(2,348,492)	(5,056,783)
Interest paid	(4,103,388)	(2,283,094)	(4,103,388)	(2,283,094)
Cash received from non-controlling interests for paid up share capital of subsidiary	-	5	-	-
Net cash flow provided by(used in) financing activities	<u>(5,596,660)</u>	<u>4,852,998</u>	<u>(5,596,660)</u>	<u>4,852,993</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(10,288,247)</b>	<b>(27,159,548)</b>	<b>(9,643,195)</b>	<b>(27,837,518)</b>
Cash and cash equivalents at beginning of year	<u>14,745,173</u>	<u>41,904,721</u>	<u>14,067,203</u>	<u>41,904,721</u>
<b>Cash and cash equivalents at end of year</b>	<b><u>4,456,926</u></b>	<b><u>14,745,173</u></b>	<b><u>4,424,008</u></b>	<b><u>14,067,203</u></b>
<b>Supplement disclosures of cash flows information</b>				
Non-cash transactions				
Purchases of equipment under finance lease agreements	23,770,865	20,706,697	23,770,865	20,706,697
Purchases of equipment recorded in other payables	6,000	810,525	6,000	810,525
Investment in subsidiaries and associates payable	-	-	1,200,000	2,549,985
Share subscription receivable of non-controlling interest	-	4,850,015	-	-
Accrued interest	172,171	-	172,171	-

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

## **1. GENERAL INFORMATION**

### **The Company's general information**

M Vision Public Company Limited principally engaged in events organizing businesses, including mobile phone, IT and various technologies, exhibition, sport tournament, tourism campaign, seminar and others 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.

### **Coronavirus disease 2019 pandemic**

The Coronavirus disease 2019 pandemic is currently impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management continuously monitored the ongoing development and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

As at 31 December 2020 and 2019, the Company has deficit balances in separate statements of financial position were Baht 61.3 million and Baht 22.6 million, respectively, (consolidated statements of financial position were Baht 62.7 million and Baht 23.0 million, respectively). As a result of the situation of the Coronavirus Disease 2019, this has caused a slowdown in the economy and has affected the revenue of business in organizing events and activities in the past. However, the company has continuously offered events, events and activities to increase revenue and profit in the future. The management believes that the Company is able to pay short-term and long-term borrowing from financial institutions upon due date. Therefore, the financial statements have been prepared on a going concern basis.

## **2. BASIS FOR 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.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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	
			2020	2019
<b>Subsidiaries :</b>				
Idol Master Co., Ltd. <i>Rendering the consulting services of public relations communication</i>	Thailand	2 April 2019	76	52
Multitechnology Expert Co., Ltd. <i>Sales and service for information technology</i>	Thailand	24 April 2019	51	51

In December 2020, the Company invested in Idol Master Co., Ltd. amounted to 240,000 shares from older Shareholders. The percentage of holding changed from 52% to 76%.

### 3. NEW FINANCIAL REPORTING STANDARDS

#### 3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal periods 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. 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:

##### 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 by 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.

Recognition of credit losses - The Group is 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's apply simplified approach to consider impairment of trade receivables.

These standards do not have any significant impact on the Group's financial statements.

### **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.

This standard do 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 2021.**

During the year 2020, The Federation of Accounting Professions has issued the Notification regarding the revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standard Interpretation, totaling 16 number, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after 1 January 2021 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, revising the definition of materiality, definition of business and accounting requirement for Interest Rate Benchmark Reform.

In addition, in January 2021, The Federation of Accounting Professions has issued the Notification regarding a revision from year 2020 of five Thai Accounting Thai Financial Reporting Standards, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after 1 January 2022 onwards. (Unless Consent to reduce rent related to COVID-19 It will be effective for accounting periods beginning on or after 1 June 2020). The most of the changes directed towards revisions of accounting requirement for Covid-19-Related Rent Concessions which meet specified conditions and Interest Rate Benchmark Reform -Phase 2.

The Group's management will adopt the relevant TFRSs in the preparation of Group's financial statements when they become effective. The Group's management is on the evaluating process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

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

As described in Note 3 to the consolidated financial statements, during the current year, the Group have adopted Financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these financial reporting standards as at 1 January 2020. Therefore, the comparative information was not restated.

### **Financial instruments**

The classifications, measurement basis and carrying values of financial assets and financial liabilities in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Consolidated financial statements**

	In Baht				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			<b>Total</b>
		Fair value through profit or loss	Fair value through comprehensive income	Amortised cost	
<b>Financial assets as at 1 January 2020</b>					
Cash and cash equivalents	14,745,173	-	-	14,745,173	14,745,173
Trade and other current receivables (Unless advances payment for services, prepaid contract costs and advance payment for projects)	124,615,287	-	-	124,615,287	124,615,287
Restricted deposit at bank - current portion	4,790,000	-	-	4,790,000	4,790,000
Other current financial assets - Fixed deposit*	2,234	-	-	2,234	2,234
<b>Total financial assets</b>	<b>144,152,694</b>	<b>-</b>	<b>-</b>	<b>144,152,694</b>	<b>144,152,694</b>

**Separate financial statements**

	In Baht				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			<b>Total</b>
		Fair value through profit or loss	Fair value through comprehensive income	Amortised cost	
<b>Financial assets as at 1 January 2020</b>					
Cash and cash equivalents	14,067,203	-	-	14,067,203	14,067,203
Trade and other current receivables (Unless advances payment for services, prepaid contract costs and advance payment for projects)	124,128,582	-	-	124,128,582	124,128,582
Restricted deposit at bank - current portion	4,790,000	-	-	4,790,000	4,790,000
Other current financial assets - Fixed deposit*	2,234	-	-	2,234	2,234
<b>Total financial assets</b>	<b>142,988,019</b>	<b>-</b>	<b>-</b>	<b>142,988,019</b>	<b>142,988,019</b>

\* Previously reclassified as current investment



**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

**Leases**

Upon initial application of TFRS 16. Leases previously classified as finance leases, the Group recognised the carrying amount of the assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

**Consolidated and Separate financial statements**

	<u>In Baht</u>
Disclosed operating lease commitments as at 31 December 2019	1,637,014
<u>Less:</u> Short-term leases and leases of low-value assets	(1,637,014)
Finance lease liabilities as at 31 December 2019	<u>34,779,266</u>
Lease liabilities as at 1 January 2020	<u>34,779,266</u>
Comprise of:	
Current lease liabilities	11,850,323
Non-current lease liabilities	<u>22,928,943</u>
	<u>34,779,266</u>

**5. SIGNIFICANT ACCOUNTING POLICIES**

**5.1 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.

**5.2 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.

**5.3 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.

**5.4 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 consolidated financial statements in which the equity method is applied and is recognised initially at cost.

Investment in associate is accounted for in the consolidated 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.

Investments in associate are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

### **5.5 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 separate financial statements, investments in subsidiaries are accounted for at cost less impairment(if any).

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.

### **5.6 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	5,20
Event equipment	2,3,5
Office equipment and fixtures	3,5
Vehicles and parts	2, 3, 5, 10

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.

### **5.7 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.

### **5.8 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed

the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

## **5.9 Leases**

### Accounting policies adopted after 1 January 2020.

At inception of contact, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

### **The Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use the underlying assets and lease liabilities based on lease payments.

### **Right-of-use assets**

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

Unless the Company is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of their estimated useful lives and the lease term. If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Depreciation of right-of-use assets are as follows:

Vehicles and parts	5, 10 Years
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### **Lease liabilities**

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

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

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

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

#### Accounting policies adopt before 1 January 2020.

Leases of assets which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized 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. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged in profit or loss over the lease period. The property, plant or equipment acquired under finance leases is depreciated over the useful life of the assets.

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 in profit or loss on a straight-line basis over the period of the lease.

### **5.10 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.

### **5.11 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.

#### **5.12 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 at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. A receivable is recognized when the goods are delivered to the customer's specific location at which the Company has right to receive payment of that consideration is due. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, 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 trade 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.

#### **5.13 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.

#### **5.14 Basic earnings gain(loss) per share**

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

#### **5.15 Financial instruments**

Accounting policies adopted since 1 January 2020.

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

#### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

#### **Financial assets at amortised cost**

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### **Financial assets at FVTPL**

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

#### **Classification and measurement of financial liabilities**

At initial recognition the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

#### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **Impairment of financial assets**

For trade receivables and contract assets, the Group applies a simplified and recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopted before 1 January 2020.

#### **Trade receivable**

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

#### **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.

### **5.16 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.

### **5.17 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 expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

**Allowance for sale return**

The estimates 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.

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

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

**5.18 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.

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

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

**6.1 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
Forth Smart Service Public Company Limited	Common director and management	Service expenses	At contract price which had been agreed upon
Studio 888 Co., Ltd.	Common directors and shareholders	Service income	At contract price which had been agreed upon
Related Persons	Directors	Guarantee	No fee charge

**6.2 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 2020 and 2019 are as follows:

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**FOR THE YEAR ENDED 31 DECEMBER 2020**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Trade account receivables (Note 8)</b>				
Related company	-	2,140,000	-	2,140,000
<b>Other current receivables (Note 8)</b>				
Subsidiaries	-	-	54,973	62,073
Related company	117,700	-	117,700	-
Total	117,700	-	172,673	62,073
<b>Advances payment for services (Note 8)</b>				
Related company	1,605,000	2,407,500	1,605,000	2,407,500
<b>Accrued expense (Note 17)</b>				
Subsidiary	-	-	53,500	-
<b>Investment payable (Note 13)</b>				
Subsidiaries	-	-	3,749,985	2,549,985

**6.3 Revenues and expenses between the Company and related persons and related companies**

Revenues and expenses transactions between the Company and related persons and companies for the years ended 31 December 2020 and 2019 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Other income</b>				
Subsidiaries	-	-	-	135,000
Related company	110,000	-	110,000	-
Total	110,000	-	110,000	135,000
<b>Purchase of goods and equipment</b>				
Related company	6,468	344,776	6,468	344,776
<b>Service expenses</b>				
Subsidiary	-	-	120,000	120,000
Related company	802,500	-	802,500	-
Total	802,500	-	922,500	120,000
<b>Directors and management's remuneration</b>				
Short-term employee benefits	18,332,227	25,336,927	18,332,227	25,336,927
Post-employment benefits	759,468	576,583	759,468	576,583
Total	19,091,695	25,913,510	19,091,695	25,913,510

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**7. CASH AND CASH EQUIVALENTS**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash	76,266	78,966	74,783	74,783
Deposits at financial institutions				
- current account	85,611	1,290,972	61,961	1,267,291
Deposits at financial institutions				
- savings account	4,295,049	13,375,235	4,287,264	12,725,129
<b>Total</b>	<b>4,456,926</b>	<b>14,745,173</b>	<b>4,424,008</b>	<b>14,067,203</b>

As at 31 December 2020, the weighted average effective interest rates of deposits at financial institutions were 0.25 % per annum. (2019 : 0.25 - 0.50% per annum).

**8. TRADE AND OTHER CURRENT RECEIVABLES**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Trade account receivables-				
related company (Note 6.2)	-	2,140,000	-	2,140,000
Trade account receivables-				
other companies	83,099,827	112,839,447	82,974,827	112,345,047
Trade account receivables-net	83,099,827	114,979,447	82,974,827	114,485,047
Unbilled receivables	6,947,310	9,568,340	6,947,310	9,568,340
Advances payment for services-				
related companies (Note 6.2)	1,605,000	2,407,500	1,605,000	2,407,500
Prepaid expenses	2,302,898	3,367,440	2,284,696	3,313,062
Prepaid contract costs	8,721,064	42,426,891	8,721,064	42,426,891
Advance payment for projects	13,667,068	20,499,679	13,644,348	20,445,455
Other current receivables-subsiidiaries				
(Note 6.2)	-	-	54,973	62,073
Other current receivables-related				
company				
(Note 6.2)	117,700	-	117,700	-
Other current receivables-other companies	34,378	13,122	34,378	13,122

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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Total	<u>116,495,245</u>	<u>193,262,419</u>	<u>116,384,296</u>	<u>192,721,490</u>
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Aging of trade receivables as at 31 December 2020 and 2019 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Trade account receivables				
Net yet due	36,664,538	69,560,320	36,564,538	69,065,920
Overdue				
Less than 3 months	4,099,393	25,588,703	4,099,393	25,588,703
3-6 months	10,218,857	19,498,824	10,218,857	19,498,824
7-12 months	28,055,960	331,600	28,055,960	331,600
Over 12 months	11,724,702	325,150	11,455,002	325,150
Total	90,763,450	115,304,597	90,393,750	114,810,197
<u>Less</u> Allowance for expected credit losses (2019 : Allowance for doubtful account)	<u>(7,663,623)</u>	<u>(325,150)</u>	<u>(7,418,923)</u>	<u>(325,150)</u>
Trade account receivables-net	<u>83,099,827</u>	<u>114,979,447</u>	<u>82,974,827</u>	<u>114,485,047</u>

Trade accounts receivable amounting to Bath 10.6 million to have transferred of right over collection of each plan of the service fees as a guarantee of credit facilities from financial institutions in Note 16.

Set out below is the change in the allowance for expected credit loss of trade receivables.

	In Baht	
	Consolidated	Separate
	financial statements	financial statements
As at 1 January 2020	(325,150)	(325,150)
Reserve for expected credit losses	(7,338,473)	(7,093,773)
As at 31 December 2020	<u>(7,663,623)</u>	<u>(7,418,923)</u>

The following table details the risk profile of trade receivables based on the Group and Company's provision matrix.

(In thousand baht)

	Consolidated financial statements						
	Collectively assessed					Individually assessed	Net
	Trade receivables - days past due						
Not yet due receivable	Less than 3 months	3 - 6 months	7 - 12 months	Over 12 months	Total		
As at 31 December 2020							
Expected credit loss rate	0.02%	0.05 - 0.15%	0.25 - 0.68%	1.14 - 29.90%	100%		

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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Estimated total gross carrying amount at default amounts not past due	36,665	4,099	10,219	28,056	2,743	81,782	8,982	90,764
Lifetime expected credit loss	(4)	(4)	(67)	(4,846)	(2,743)	(7,664)	-	(7,664)
						<u>74,118</u>	<u>8,982</u>	<u>83,100</u>

(In thousand baht)

Separate financial statements

	Collectively assessed						Individually assessed	Net
	Trade receivables - days past due						Total	
	Not yet due receivable	Less than 3 months	3 - 6 months	7 - 12 months	Over 12 months			
As at 31 December 2020								
Expected credit loss rate	0.02%	0.05 - 0.15%	0.25 - 0.68%	1.14 - 29.90%	100%			
Estimated total gross carrying amount at default amounts not past due	36,565	4,099	10,219	28,056	2,498	81,437	8,957	90,394
Lifetime expected credit loss	(4)	(4)	(67)	(4,846)	(2,498)	(7,419)	-	(7,419)
						<u>74,018</u>	<u>8,957</u>	<u>82,975</u>

**9. INVENTORIES**

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Inventories	8,980,463	9,877,425	8,980,463	9,877,425
Less Allowance for diminution in value of inventories	(1,487,721)	(1,087,511)	(1,487,721)	(1,087,511)
Inventories-net	<u>7,492,742</u>	<u>8,789,914</u>	<u>7,492,742</u>	<u>8,789,914</u>

During the year 2020, the Company reduced cost of inventories by Baht 0.4 million to reflect the net realisable value. This was presented as cost of sales.

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

As at 31 December 2020 and 2019, there are bank deposits of Baht 3.5 million and Bath 4.8 million have been pledged as collateral against loans from two local banks as describes in Note 16 and Note 30 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.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**11. OTHER CURRENT ASSETS**

	In Baht			
	Consolidate		Separate	
	financial statements		Financial statements	
	2020	2019	2020	2019
Undue input vat	2,921,392	5,148,993	2,919,292	5,144,815
Deposits and guarantee	4,341,765	3,949,314	3,938,700	3,546,250
Total	<u>7,263,157</u>	<u>9,098,307</u>	<u>6,857,992</u>	<u>8,691,065</u>

**12. INVESTMENT IN ASSOCIATE**

**Consolidated and Separate financial statements as at 31 December 2020 and 2019**

Company	Nature of business	Paid up Capital	Shareholding		In Baht			
			Percentage		Cost		In the equity method	
			2020	2019	2020	2019	2020	2019
			%	%				
MR	Providing comprehensive							
Connex	sports competition							
Co., Ltd.	services	5,000,000	40	40	<u>1,999,995</u>	<u>1,999,995</u>	<u>1,981,272</u>	<u>1,988,995</u>

Company	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Share of loss from Investment in associat ended 31 December		Dividend received ended 31 December	
	2020	2019	2020	2019
MR Connex Co., Ltd.	7,723	11,000	-	-

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.

Summarised information about financial position of the associate as at 31 December 2020.

(Unit : Thousand Baht)

	<u>Amount</u>
Current assets	4,933
Non-current assets	28

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

(Unit : Thousand Baht)

	<u>Amount</u>
Current liabilities	(8)
<b>Net assets</b>	4,953
Shareholding percentage (%)	40
<b>Share of net assets</b>	<u>1,981</u>

Summarised information about comprehensive income of the associate for the year ended 31 December 2020.

(Unit : Thousand Baht)

	<u>Amount</u>
Revenues	1
Loss	20

**13. INVESTMENTS IN SUBSIDIARIES**

**Separate financial statements as at 31 December 2020 and 2019**

	Activities	Paid up Capital (In Baht)	Holdings		At Cost	
			%		(In Baht)	
			2020	2019	2020	2019
Idol Master Co., Ltd.	Rendering the consulting services of public relations communication and related services	5,000,000	76	52	3,799,995	2,599,995
Multitechnology Expert Co., Ltd.	Sales and service for information technology	5,000,000	51	51	2,549,985	2,549,985
					<u>6,349,980</u>	<u>5,149,980</u>

**The changes in non-controlling interests are as follows:**

Company	In Bath							
	Proportion of equity interest held by on- controlling interests (%)		Accumulated balance of non-controlling interests		Change in ownership interest in subsidiary		Profit/loss allocated to non- controlling interests during the years	
	2020	2019	2020	2019	2020	2019	2020	2019
Idol Master Co., Ltd.	24	48	(433,624)	(388,352)	194,178	-	(239,450)	(388,357)
Multitechnology Expert Co., Ltd.	49	49	(16,108)	(18,607)	-	-	2,499	(18,607)
Total			<u>(449,732)</u>	<u>(406,959)</u>	<u>194,178</u>	<u>-</u>	<u>(236,951)</u>	<u>(406,964)</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



**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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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 Board of Directors Meeting of the Company No. 8/2020 held on 21 December 2020 has increased the amount of shares in the company, Idol Master Co., Ltd., 240,000 shares at the rate of Bath 5 per share, Bath 1.2 million , resulting in the company holding 76 percent of the registered capital.

As at 31 December 2020, the Company has not paid for shares of Idol Master Co., Ltd, and Multitechnology Expert Co., Ltd., therefore the Company presented such outstanding balance as investment payables in the amount of Baht 1.2 million and Bath 2.5 million respectively in total Bath 3.7 million in the separate financial statements. (As at 31 December 2019, the Company has not paid for shares of Multitechnology Expert Co., Ltd., therefore the Company presented such outstanding balance as investment payables in the amount of Baht 2.5 million in the separate financial statements) to Note 6.2.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**14. PROPERTY, PLANT AND EQUIPMENT**

**Consolidated financial statements as at 31 December 2020 and 2019**

	In Baht						Total
	Land	Building and Improvement	Event equipment	Office equipment and fixtures	Vehicles and parts	Work in process	
As at 1 January 2019							
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>
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	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>	<u>144,000</u>	<u>93,506,112</u>
As at 31 December 2019							
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>	<u>144,000</u>	<u>93,506,112</u>

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**14. PROPERTY, PLANT AND EQUIPMENT (CON'T)**

	In Baht							Total
	Land	Building and Improvement	Event equipment	Office equipment and fixtures	Right-of-use	Vehicles and parts	Work in process	
Transaction during the year ended 31 December 2020								
Opening net book value as at 31 December 2019	8,000,000	16,814,411	3,841,048	5,045,655	-	59,660,998	144,000	93,506,112
The reclassification of right-of-use assets due to TFRS 16 adoption	-	-	-	-	53,472,786	(53,472,786)	-	-
Opening net book value as at 1 January 2020	8,000,000	16,814,411	3,841,048	5,045,655	53,472,786	6,188,212	144,000	93,506,112
<u>Add</u> Acquisition	-	500,831	2,134,262	2,150,185	27,570,000	430,883	-	32,786,161
<u>Less</u> Disposals and written-off	-	-	(359,512)	(23)	-	(2)	-	(359,537)
Depreciation	-	(1,140,214)	(1,120,951)	(1,971,446)	(9,092,404)	(1,298,793)	-	(14,623,808)
Closing net book value	<u>8,000,000</u>	<u>16,175,028</u>	<u>4,494,847</u>	<u>5,224,371</u>	<u>71,950,382</u>	<u>5,320,300</u>	<u>144,000</u>	<u>11,308,928</u>
At 31 December 2020								
Cost	8,000,000	23,096,065	6,148,684	14,560,557	89,070,383	12,385,706	144,000	153,405,395
<u>Less</u> Accumulated depreciation	-	(6,921,037)	(1,653,837)	(9,336,186)	(17,120,001)	(7,065,406)	-	(42,096,467)
Net book value	<u>8,000,000</u>	<u>16,175,028</u>	<u>4,494,847</u>	<u>5,224,371</u>	<u>71,950,382</u>	<u>5,320,300</u>	<u>144,000</u>	<u>111,308,928</u>

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**14. PROPERTY, PLANT AND EQUIPMENT (CON'T)**

**Separate financial statements as at 31 December 2020 and 2019**

	In Baht					Total
	Land	Building and Improvement	Event equipment	Office equipment and fixtures	Vehicles and parts	
As at 1 January 2019						
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>
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>
As 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>

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**14. PROPERTY, PLANT AND EQUIPMENT (CON'T)**

	In Baht						Total
	Land	Building and Improvement	Event equipment	Office equipment and fixtures	Right-of-use	Vehicles and parts	
Transaction during the year ended 31 December 2020							
Opening net book value as at 31 December 2019	8,000,000	16,814,411	3,841,048	5,045,655	-	59,660,998	93,362,112
The reclassification of right-of-use assets due to TFRS 16 adoption	-	-	-	-	53,472,786	(53,472,786)	-
Opening net book value as at 1 January 2020	8,000,000	16,814,411	3,841,048	5,045,655	53,472,786	6,188,212	93,362,112
<u>Add</u> Acquisition	-	500,831	2,134,262	2,150,185	27,570,000	430,883	32,786,161
<u>Less</u> Disposals and written-off	-	-	(359,512)	(23)	-	(2)	(359,537)
Depreciation	-	(1,140,214)	(1,120,951)	(1,971,446)	(9,092,404)	(1,298,793)	(14,623,808)
Closing net book value	<u>8,000,000</u>	<u>16,175,028</u>	<u>4,494,847</u>	<u>5,224,371</u>	<u>71,950,382</u>	<u>5,320,300</u>	<u>111,164,928</u>
As at 31 December 2020							
Cost	8,000,000	23,096,065	6,148,684	14,560,557	89,070,383	12,385,706	153,261,395
<u>Less</u> Accumulated depreciation	-	(6,921,037)	(1,653,837)	(9,336,186)	(17,120,001)	(7,065,406)	(42,096,467)
Net book value	<u>8,000,000</u>	<u>16,175,028</u>	<u>4,494,847</u>	<u>5,224,371</u>	<u>71,950,382</u>	<u>5,320,300</u>	<u>111,164,928</u>

As at 31 December 2020, land and building of the Company, with net book value amounting to Baht 24.2 million (31 December 2019 : Baht 24.8 million) are mortgaged as collateral for overdrafts and short-term loans from financial institutions Note 16 and long-term loans facilities Note 19.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**15. INTANGIBLE ASSETS**

**Consolidated financial statements as at 31 December 2020 and 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>
Transactions during the year ended 31 December 2020			
Opening net book value	2,489,476	3,054,287	5,543,763
<u>Add</u> Additions	20,000	1,600,000	1,620,000
<u>Less</u> Amortization	<u>(1,540,172)</u>	<u>-</u>	<u>(1,540,172)</u>
Closing net book value	<u>969,304</u>	<u>4,654,287</u>	<u>5,623,591</u>
As at 31 December 2020			
Cost	5,280,652	4,654,287	9,934,939
<u>Less</u> Accumulated amortization	<u>(4,311,348)</u>	<u>-</u>	<u>(4,311,348)</u>
Net book value	<u>969,304</u>	<u>4,654,287</u>	<u>5,623,591</u>

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**15. INTANGIBLE ASSETS (CON'T)**

**Separate financial statements as at 31 December 2020 and 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	78,571	2,435,052	2,513,623
<u>Less</u> Loss from write-off intangible assets	<u>(396,917)</u>	<u>-</u>	<u>(396,917)</u>
Amortization	<u>(1,720,230)</u>	<u>-</u>	<u>(1,720,230)</u>
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	<u>(2,765,445)</u>	<u>-</u>	<u>(2,765,445)</u>
Net book value	<u>2,399,907</u>	<u>3,054,287</u>	<u>5,454,194</u>
Transactions during the year ended 31 December 2020			
Opening net book value	2,399,907	3,054,287	5,454,194
<u>Add</u> Additions	20,000	1,600,000	1,620,000
<u>Less</u> Amortization	<u>(1,530,643)</u>	<u>-</u>	<u>(1,530,643)</u>
Closing net book value	<u>889,264</u>	<u>4,654,287</u>	<u>5,543,551</u>
As at 31 December 2020			
Cost	5,185,352	4,654,287	9,839,639
<u>Less</u> Accumulated amortization	<u>(4,296,088)</u>	<u>-</u>	<u>(4,296,088)</u>
Net book value	<u>889,264</u>	<u>4,654,287</u>	<u>5,543,551</u>

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

	Interest rate (per annum)	In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
Promissory note	4 - 5%	-	20,900,000	-	20,900,000

As at 31 December 2020, the Company has overdrafts facility and short-term loans with financial institution amounting to Baht 27.0 million (31 December 2019 : Baht 39.9 million), guaranteed by land and structures there on of the Company as described in Note 14 to the financial statements, bank deposits as described in Note 10 to the financial statements and some are secured by the transfer of rights over collection of revenues from construction projects in Note 8.

**17. TRADE AND OTHER CURRENT PAYABLES**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Trade account payables	17,153,947	45,001,813	17,153,947	45,001,813
Current portion of trade account payable (Note 18)	25,587,537	16,000,000	25,587,537	16,000,000
Liabilities arising from contracts				
-Revenue received in advance	6,906,851	7,309,148	6,906,851	7,309,148
Accrued expenses- Other companies	9,205,504	18,684,334	9,145,504	18,600,134
Accrued expenses- Subsidiary (Note 6.2)	-	-	53,500	-
Withholding tax payable and revenue department payable	944,272	701,223	944,272	701,223
Other current payables	39,608	855,850	39,608	855,850
Total	59,837,719	88,552,368	59,831,219	88,468,168

Revenue received in advance

As at 31 December 2020, revenue aggregating to Baht 6.9 million is expected to be recognised in the future relating to performance obligations that are unsatisfied(or partially unsatisfied) of contracts with customers (31 December 2019 : Baht 74.5 million). The Group expects to satisfy the performance obligations in year 2021 in amount of Baht 6.9 million.



**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**18. NON-CURRENT TRADE PAYABLES**

**Consolidated and Separate financial statements**

	In Baht	
	2020	2019
Trade account payable	25,587,537	33,987,537
<u>Less</u> Current portion of trade account payable (Note 17)	<u>(25,587,537)</u>	<u>(16,000,000)</u>
Net	<u>-</u>	<u>17,987,537</u>

As at 31 December 2020, the Company has an outstanding balance of account payable amounting Baht 25.6 million (31 December 2019 : Baht 34.0 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.

In quarter 1 of year 2020, the Company has agreed with such payable to change the payment during April 2020 to December 2020, which remain the payment schedule in the amendment memorandum.

**19. LONG-TERM LOANS**

**Consolidated and Separate financial statements**

Loans	Interest rates (per annum)	Contract repayment	In Baht	
			2020	2019
1. loans from a local financial institution	4 - 7%	Monthly payment from 2013 to 2021	534,732	710,167
2. loans from a local financial institution	4 - 7%	Monthly payment from 2013 to 2021	726,768	991,130
3. loans from a local financial institution	4 - 7%	Monthly payment from 2015 to 2023	2,884,857	3,145,103
4. loans from a local financial institution	4%	Monthly payment from 2016 to 2023	1,630,153	2,370,223
5. loans from a local financial institution	4 - 7%	Monthly payment from 2017 to 2022	2,317,719	2,571,713
6. loans from a local financial institution	3 - 7%	Monthly payment from 2017 to 2024	2,663,572	3,317,957
7. loans from a local financial institution	3 - 5%	Monthly payment from 2022 to 2025	20,000,000	-
8. loans from a local financial institution	5 - 6%	Monthly payment from 2021 to 2027	10,000,000	-
Total			<u>40,757,801</u>	<u>13,106,293</u>
<u>Less</u> Current portion			<u>(5,281,108)</u>	<u>(4,284,880)</u>

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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Loans	Interest rates (per annum)	Contract repayment	In Baht	
			2020	2019
Long-term loans-net of current portion			35,476,693	8,821,413

Movement of the long-term loans from financial institutions for the year ended 31 December 2020 and 2019 are as follows:

	In Baht	
	2020	2019
Balance at the beginning of the year	13,106,293	18,163,076
Received loan during the year	30,000,000	-
Repayment loan during the year	(2,348,492)	(5,056,783)
Balance at the end of the year	40,757,801	13,106,293

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, certain directors and guarantee by Thai Credit Guarantee Corporation.

The loan agreements contain certain covenants with which the Company must comply, with terms spacial, in the agreements. However, as at 31 December 2020, the Company was unable to comply with certain covenant under the agreements and has already negotiated a waiver of compliance with the lender financial institution, and has received a waiver letter from the lender financial institution for the loan in December 2020. Therefore, the Company presented the outstanding balances of these loans as a long-term loan in the statements of financial position as of 31 December 2020.

In April 2020, the Company has received the assistance for the suspension payment of principal and interest from bank for 6 months ending September 2020, In October 2020, the Bank has the suspension payment of principal measures in accordance with the relief under the assistance measures from the COVID-19 situation.

**20. LEASE LIABILITIES**

	In Baht	
	Consolidated and Separate financial statements	
	2020	2019
Lease liabilities	63,270,036	41,161,236
<u>Less</u> Deferred interest and input tax	(12,964,685)	(6,381,970)
Current portion of lease liabilities	(13,799,962)	(11,850,323)
Net	36,505,389	22,928,943

Expenses related to the lease agreements for the year ended 31 December 2020 and 2019, recognised in profit or loss as follows:

In Baht

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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	Consolidated and Separate financial statements	
	2020	2019
Interest expense on lease liabilities	2,186,472	1,199,219
Leases of low-value underlying assets	178,961	258,102
Total	<u>2,365,433</u>	<u>1,457,321</u>

In April 2020, the Company has received the assistance for payment holiday of principal and interest from lease liabilities for 12 months under the assistance measures from the COVID-19 situation.

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 2020, future minimum lease fixed payments required under the finance lease agreements were as follows:

(Unit : Million Baht)

	Less than 1 year	1-5 years	Total
Future minimum lease payments	17.9	45.3	63.2
Deferred interest expenses	(4.1)	(8.8)	(12.9)
Present value of future minimum lease payments	<u>13.8</u>	<u>36.5</u>	<u>50.3</u>

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

(Unit : Million Baht)

	Less than 1 year	1-5 years	Total
Future minimum lease payments	14.9	26.3	41.2
Deferred interest expenses	(3.0)	(3.4)	(6.4)
Present value of future minimum lease payments	<u>11.9</u>	<u>22.9</u>	<u>34.8</u>

## 21. EMPLOYEE BENEFIT OBLIGATIONS

### Consolidated and Separate financial statements

Movement in the present value of the defined benefit obligations:

	In Baht	
	2020	2019
<b>For the year ended 31 December</b>		
Employee benefit obligations at 1 January	11,024,189	7,564,313
Current service cost	1,308,698	1,179,659
Actuarial losses(gains)		
Financial assumptions changes	(4,770,870)	2,344,072
Demographic assumptions changes	3,330	4,643

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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Experience adjustments	24,969	(68,498)
<b>Employee benefit obligations at 31 December</b>	<b>7,590,316</b>	<b>11,024,189</b>

Line items in profit or loss are recognized for the years ended 31 December 2020 and 2019 are as followed:

	In Baht	
	2020	2019
Administrative expenses	1,308,698	1,179,659

Principal actuarial assumptions at the reporting date for the years ended 31 December 2020 and 2019.

	2020	2019
Discount rate	1.9% per annum	1.9% per annum
Salary increase rate	2% per annum	5% per annum
	Scale related to age ranging from	Scale related to age ranging from
Employee turnover rate	2.4-28.7%	2.4-28.7%
	According to Thailand TMO	According to Thailand TMO
Mortality rate	2017 male and female tables	2017 male and female tables

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

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 17 years. (2019 : 19 years).

**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:

	In Baht	
	Increase	Decrease
<b>Defined benefit obligation at 31 December 2020</b>		
Discount rate (100 basis points movement)	(1,153,218)	1,382,657
Salary increase rate (1.0% movement)	1,361,539	(1,158,504)
Turnover rate (20% movement)	(948,235)	1,089,581
	In Baht	
	Increase	Decrease
<b>Defined benefit obligation at 31 December 2019</b>		
Discount rate (100 basis points movement)	(1,800,363)	2,186,262
Salary increase rate (1.0% movement)	2,088,883	(1,763,453)
Turnover rate (20% movement)	(1,579,423)	1,856,560

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.

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**22. 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.

**23. EXPENSES BY NATURE**

Significant expenses by nature for the years ended 31 December 2020 and 2019 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Services cost	165,400,726	200,744,974	165,380,726	199,507,966
Purchases in inventories	1,281,753	23,848,956	1,281,753	23,848,956
Changes in inventories	1,049,944	(4,971,937)	1,049,944	(4,971,937)
Employee expense	39,519,643	53,204,900	39,519,643	53,204,900
Depreciation of fixed assets and amortization of intangible assets	16,163,980	11,894,566	16,154,451	11,888,836

**24. INCOME TAX**

Tax expense(income) for the year ended 31 December 2020 and 2019 are made up as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Income tax recognized in profit or loss</b>				
<b>Current income tax:</b>				
Corporate income tax	-	-	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(618,241)	7,284,001	(618,241)	7,284,001
<b>Total</b>	(618,241)	7,284,001	(618,241)	7,284,001
<b>Income tax recognised in other comprehensive income</b>				
Actuarial gain(loss)	948,514	(456,044)	948,514	(456,044)

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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Reconciliation of effective tax rate

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Accounting profit(loss) before income tax	(44,315,502)	37,071,736	(43,120,993)	37,929,787
Applicable corporate income tax rate(20%)				
Income tax using the Thai corporation tax rate	(8,863,100)	7,414,347	(8,624,199)	7,585,957
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	7,063,466	169,410	6,864,945	-
Share of loss from investments in associates	1,545	2,200	-	-
Addition expenses deductible for tax purposes	(522,322)	(786,581)	(522,322)	(786,581)
Expenses not deductible for tax purposes	2,320,411	370,842	2,281,576	370,842
<b>Current tax</b>	-	-	-	-
Relating to origination and reversal of temporary differences	(618,241)	7,284,001	(618,241)	7,284,001
<b>Tax expenses(income)</b>	(618,241)	7,284,001	(618,241)	7,284,001

Deferred tax assets is presented in the statements of financial position as at 31 December 2020 and 2019 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Deferred tax assets</b>				
Trade account receivables	1,483,785	65,030	1,483,785	65,030
Inventories	297,544	217,502	297,544	217,502
Employee benefit obligations	1,518,063	2,204,838	1,518,063	2,204,838

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

Unused tax losses	7,122,401	7,122,401	7,122,401	7,122,401
Total deferred tax assets	10,421,793	9,609,771	10,421,793	9,609,771
<b>Deferred tax liabilities</b>				
Property, plant and equipment	1,751,382	646,997	1,751,382	646,997
Intangible assets	66,297	28,386	66,297	28,386
Total deferred tax liabilities	1,817,679	675,383	1,817,679	675,383
<b>Deferred tax assets-net</b>	<b>8,604,114</b>	<b>8,934,388</b>	<b>8,604,114</b>	<b>8,934,388</b>

## 25. 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 2020, the Company's contribution to the provident fund recorded in the financial statements is Baht 0.8 million (2019 : 1.8 million) and in April 2020, the Company reduced the savings and contributes at the rate 2% starting from April 2020 due to Coronavirus disease 2019 Pandemic.

## 26. 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. The management demonstrated and structured business units to 3 principal reportable segments as follows;

1. Event organizing segment comprising mobile phone, IT and technology exhibition, sport tournament, tourism campaign, seminar, caravan render and other events.
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.

### *Disaggregation 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 2020 and 2019 are as follows :

	(Unit : Thousand Baht)	
	Consolidated financial statements	
	2020	2019
<b>Revenue by segment</b>		
Event organizing	138,711	262,476
Media and agency	65,744	51,926
Commerce	1,737	18,993

**M VISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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<b>Total</b>		206,192	333,395
<b>Timing of revenue recognition</b>			
Point in time			
Event organizing		17,806	28,175
Media and agency		42,798	48,797
Commerce		1,737	18,993
		<u>62,341</u>	<u>95,965</u>
Overtime			
Event organizing		120,905	234,301
Media and agency		22,946	3,129
		<u>143,851</u>	<u>237,430</u>
<b>Total</b>		<u>206,192</u>	<u>333,395</u>

**Consolidated financial statements**

The following tables present revenue and profit information regarding the Group's operating segments for the year ended 31 December 2020 and 2019, respectively.

(Unit : Thousand Baht)

Revenue type	Event organizing		Media and agency		Commerce		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Revenues	138,711	262,476	65,744	51,926	1,737	18,993	206,192	333,395
Segment profit(loss)	7,298	102,432	21,537	4,633	(908)	1,444	27,927	108,509
Other income							2,889	1,021
Cost of distributions							(11,100)	(11,742)
Administrative expenses							(59,748)	(58,422)
Profit(loss) from operating activities							(40,032)	39,366
Finance cost							(4,275)	(2,283)
Share of loss from investments in associate							(8)	(11)
Profit(loss) before tax income(expense)							(44,315)	37,072
Tax income(expense)							618	(7,284)
Profit(loss) for the year							<sup>6</sup> (43,697)	29,788
<b>Segment total assets</b>								
Trade and other current receivables	71,694	160,465	31,498	20,108	9,986	1,856	113,178	182,429
Unallocated trade and other current receivables	-	-	-	-	-	-	3,207	10,833
Inventories	-	-	-	-	7,493	8,790	7,493	8,790

**Major customers' information**

In 2020, the Group has revenue from 10 major customer, represented at 64% of total revenues (2019 : 4 major customer, represented at 55% of total revenues).

**27. 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.

## **28. FINANCIAL INSTRUMENTS**

### **Financial risk management objectives and policies**

The Group's financial instruments principally comprise cash and cash equivalents, trade receivables, short-term loans, long-term loans and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

##### **Trade and other current receivables**

The Group's exposed to credit risk. However, due to the large number and diversity of the entities comprising the Group's customer base, The Group's does not anticipate material losses from its debt collection. The Group's estimated the allowance for doubtful accounts from the ending balance of accounts receivable. The estimate was made by considering the customer's past collection experiences. An impairment analysis is performed at each reporting date to measure expected credit losses. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other current receivables are written-off in accordance with the Group's policy.

##### **Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed in accordance with the Group's policy. Investments are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate risk through a counterparty's potential failure to make payments.

#### **Interest rate risk**

The Group's exposure to interest rate risk relate primarily to their deposits at bank, short-term loans and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. Therefore, the Group does not use derivative financial instruments to hedge such risk.

##### **Interest rate sensitivity analysis**

There is no significant impact on the Group's profit before tax arising from the change in the interest rate of financial assets and short-term loans and long-term loans with interest rates fluctuating according to market rates.

#### **Liquidity risk**

The Group's monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations including providing credit from various financial institutions to back up if necessary and to mitigate the effects of fluctuations in cash flows.

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The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2020 based on un discounted contractual cash flows to present value. It can be represented as follows:

(Unit : Baht)

	Consolidated financial statements			
	Less than	1 to 5	More than	Total
	1 year	years	5 years	
<b>Financial liabilities</b>				
Trade and other current payables	59,837,719	-	-	59,837,719
Long-term loans	5,281,108	26,485,714	8,990,979	40,757,801
Lease liabilities	13,799,962	36,505,389	-	50,305,351
<b>Total financial liabilities</b>	<b>78,918,789</b>	<b>62,991,103</b>	<b>8,990,979</b>	<b>150,900,871</b>

(Unit : Baht)

	Separate financial statements			
	Less than	More than		Total
	1 year	1 to 5 years	5 years	
<b>Financial liabilities</b>				
Trade and other current payables	59,831,219	-	-	59,831,219
Long-term loans	5,281,108	26,485,714	8,990,979	40,757,801
Lease liabilities	13,799,962	36,505,389	-	50,305,351
<b>Total financial liabilities</b>	<b>78,912,289</b>	<b>62,991,103</b>	<b>8,990,979</b>	<b>150,894,371</b>

**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.

**29. CONTRACT COMMITMENT**

As at 31 December 2020, 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:

<u>Year</u>	<u>In Million Baht</u>
Repayments within 1 year	0.5

**30. GUARANTEES**

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As at 31 December 2020, there were outstanding letters of guarantees of approximately Baht 5.4 million (31 December 2019 : Baht 7.3 million), guaranteed by savings deposit according to Note 10, issued by financial institutions 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 and letter of guarantee issued by the Thai Credit Guarantee Corporation (TCG) amounting to Baht 38.4 million to secure credit line to Note 19.

**31. 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 2020, financial statements is applied debt to equity ratio is 1.3:1 (2019 : 1.2:1).

**32. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements have been approved by the Company's Board of Directors on 25 February 2021.