

**Prakit Holdings Public Company Limited**  
**and its Subsidiaries**  
**Financial Statements**  
**and**  
**Independent Auditor's Report**  
**1 January 2016 to 31 December 2016**

## **Independent Auditor's Report**

### **To the Shareholders and the Board of Directors of Prakrit Holdings Public Company Limited**

#### ***Opinion***

I have audited the consolidated financial statements of Prakrit Holdings Public Company Limited and its subsidiaries (the Group) and the separate financial statements of Prakrit Holdings Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position as at 31 December 2016, and the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of Prakrit Holdings Public Company Limited and its subsidiaries and the separate financial position of Prakrit Holdings Public Company Limited as at 31 December 2016, and the related consolidated and separate 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 Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of His Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### ***Key Audit Matters***

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

<b>Key audit matter</b>	<b>How the matter was addressed</b>
<p><b>Commission income on media agency service</b></p> <p>For the year ended 31 December 2016, the Group and the Company earns commission income on media agency service amounting to Baht 138 million in consolidated financial statement and Baht 81 million in the separate financial statement. The commission income is recognized when the advertisements are broadcasted and the valuations of media volume income are determined on commission rate, discount rate and media volume. Accordingly, the timing of revenue recognition and measurement of the commission income is a significant risk of material misstatement to the financial statement of the Group and the Company.</p>	<p>The key audit procedures included as follows:</p> <ul style="list-style-type: none"><li>• Inquire the management for the agreement and criterial of media agency service regarding sale and purchase, discount, and significant change from previous year,</li><li>• Evaluate and test of key internal control for commission income system.</li><li>• Analysis the commission rate and compare with the agreement of media agency service.</li><li>• Sampling test with supporting documents of commission income, media cost and related discount.</li><li>• Sampling test with cash receive and trace to the book record.</li><li>• Subsequent test for media discount after the reporting period.</li></ul>

***Other matter***

The consolidated financial statements of Prakit Holdings Public Company Limited and its subsidiaries and the separate financial statements of Prakit Holdings Public Company Limited for the year ended 31 December 2015 which are presented herein as comparative information, were audited by another auditor of Bunchikij Co., Ltd. who expressed an unmodified opinion on those statements in his report dated 24 February 2016.

***Other Information***

Management is responsible for the other information included in the Group and the Company's annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The Group's annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information as referred to above and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information as referred to above when it becomes available and, in doing so, consider whether such the other information is materially inconsistent with the audited consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the Group's annual report, if I conclude that there is any material misstatement in those other information, I am required to communicate the matter to the management and those charged with governance to correct such information.

***Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group and the Company'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 and the Company or to cease operations, or has no realistic alternative but to do so.

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

***Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements***

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate 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 and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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 consolidated and separate 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

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



(Mr. Thanakorn Fakfaipol)

Certified Public Accountant No. 4879

**Bunchikij Co., Ltd.**

Bangkok

24 February 2017

## Prakit Holdings Public Company Limited and its Subsidiaries

## Statements of Financial Position

As at 31 December 2016

Unit : Baht

ASSETS	Notes	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	97,478,142	85,102,746	56,345,930	33,073,494
Current investments					
Private fund	6	30,327,039	28,241,745	30,327,039	28,241,745
Others	7	382,239,829	318,751,930	311,749,219	295,589,935
Current portion of held-to-maturity debt securities	7	16,000,000	20,000,000	16,000,000	20,000,000
Trade accounts and other receivables	3, 8	252,731,951	310,538,891	177,305,200	234,537,945
Other current assets		10,846,266	9,460,176	4,119,787	5,386,123
<b>Total current assets</b>		<b>789,623,227</b>	<b>772,095,488</b>	<b>595,847,175</b>	<b>616,829,242</b>
<b>NON-CURRENT ASSETS</b>					
Bank deposit held as collateral	9	32,001,000	32,001,000	32,001,000	32,001,000
Investments in joint venture, associated and subsidiary companies	10	116,429,268	115,109,711	165,045,481	165,045,481
Other long-term investments	7	112,957,803	116,418,439	112,957,803	116,418,439
Loan to employees	11	25,000	350,000	25,000	300,000
Investment property	12	46,215,000	46,215,000	46,215,000	46,215,000
Property, plant and equipment	13	97,346,306	92,857,847	96,734,539	92,197,714
Intangible assets		12,529	22,528	12,526	22,525
Deferred tax assets	14	9,401,314	11,990,491	5,987,679	8,675,867
Other non-current assets		12,085,499	11,035,655	-	-
<b>Total non-current assets</b>		<b>426,473,719</b>	<b>426,000,671</b>	<b>458,979,028</b>	<b>460,876,026</b>
<b>TOTAL ASSETS</b>		<b>1,216,096,946</b>	<b>1,198,096,159</b>	<b>1,054,826,203</b>	<b>1,077,705,268</b>

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

## Prakit Holdings Public Company Limited and its Subsidiaries

## Statements of Financial Position

As at 31 December 2016

Unit : Baht

LIABILITIES AND EQUITY	Notes	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>CURRENT LIABILITIES</b>					
Trade accounts and other payables	4, 15	302,446,115	272,261,883	207,386,226	211,036,679
Accrued income tax		44,348	30,225,164	44,348	30,225,164
Other current liabilities		27,033,135	28,813,629	13,227,855	18,575,889
<b>Total current liabilities</b>		<b>329,523,598</b>	<b>331,300,676</b>	<b>220,658,429</b>	<b>259,837,732</b>
<b>NON-CURRENT LIABILITIES</b>					
Deferred lease right	16	14,481,220	15,565,702	14,481,220	15,565,702
Employee benefit obligations	17	21,510,767	17,597,697	9,150,439	6,061,041
<b>Total non-current liabilities</b>		<b>35,991,987</b>	<b>33,163,399</b>	<b>23,631,659</b>	<b>21,626,743</b>
<b>TOTAL LIABILITIES</b>		<b>365,515,585</b>	<b>364,464,075</b>	<b>244,290,088</b>	<b>281,464,475</b>
<b>EQUITY</b>					
Share capital	18				
Authorized share capital					
99,484,000 common shares of Baht 1 each			99,484,000		99,484,000
94,438,800 common shares of Baht 1 each		94,438,800		94,438,800	
Issued and fully paid - up capital					
60,000,000 common shares of Baht 1 each		-	60,000,000	-	60,000,000
54,954,800 common shares of Baht 1 each		54,954,800	-	54,954,800	-
Premium on share capital	19	193,568,560	193,568,560	193,568,560	193,568,560
Retained earnings					
Appropriated to legal reserve		10,000,000	10,000,000	10,000,000	10,000,000
Unappropriated		612,514,980	598,463,915	573,777,759	562,314,653
Reserve for Treasury Shares	20	-	79,460,000	-	79,460,000
Treasury Shares	20	-	(79,460,000)	-	(79,460,000)
Other components of equity		(22,003,173)	(29,700,219)	(21,765,004)	(29,642,420)
<b>Total equity attributable to the parent company</b>		<b>849,035,167</b>	<b>832,332,256</b>	<b>810,536,115</b>	<b>796,240,793</b>
Non-controlling interests		1,546,194	1,299,828	-	-
<b>Total equity</b>		<b>850,581,361</b>	<b>833,632,084</b>	<b>810,536,115</b>	<b>796,240,793</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,216,096,946</b>	<b>1,198,096,159</b>	<b>1,054,826,203</b>	<b>1,077,705,268</b>

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



## Prakit Holdings Public Company Limited and its Subsidiaries

## Statements of Comprehensive Income

For the year ended 31 December 2016

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>REVENUES</b>					
Revenue from rendering services	4, 22	229,393,707	207,766,076	90,476,400	66,711,027
Revenue from agency	22	138,150,159	161,041,316	81,511,216	100,497,372
Interest income	22	4,557,340	5,155,708	4,376,405	4,945,321
Dividend income	10, 22	2,909,747	2,173,756	9,908,697	9,172,705
Management income	4	1,920,000	2,016,000	33,455,267	34,085,994
Gain from sales of investment property	4, 12	-	103,537,770	-	160,300,000
Other revenues		26,648,210	5,779,965	22,890,186	6,170,057
<b>Total revenues</b>		<b>403,579,163</b>	<b>487,470,591</b>	<b>242,618,171</b>	<b>381,882,476</b>
<b>EXPENSES</b>					
Cost of rendering of services	4, 24	194,424,627	179,854,045	85,962,036	63,158,778
Selling expenses	24	55,924,907	59,000,726	35,297,702	37,737,178
Administrative expenses	24	86,850,357	90,790,933	60,886,923	65,065,938
<b>Total expenses</b>		<b>337,199,891</b>	<b>329,645,704</b>	<b>182,146,661</b>	<b>165,961,894</b>
Profit before share of profit from investments in joint venture and associated companies - equity method		66,379,272	157,824,887	60,471,510	215,920,582
Share of profit from investments in joint venture and associated companies - equity method		1,319,557	1,491,574	-	-
<b>Profit before income tax</b>		<b>67,698,829</b>	<b>159,316,461</b>	<b>60,471,510</b>	<b>215,920,582</b>
Income tax	25	(12,810,371)	(42,828,140)	(9,858,639)	(41,385,124)
<b>Net profit for the year</b>		<b>54,888,458</b>	<b>116,488,321</b>	<b>50,612,871</b>	<b>174,535,458</b>
<b>Other comprehensive income (loss):</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Actuarial gain (loss)	17	(4,124,772)	6,869	(2,324,506)	(147,189)
Income tax effects		824,955	(1,374)	464,901	29,438
		(3,299,817)	5,495	(1,859,605)	(117,751)
<b>Items that may be reclassified subsequently to profit or loss</b>					
Gain (loss) of revaluation of available-for-sale investments	7	9,846,770	(12,538,580)	9,846,770	(12,538,580)
Foreign currency translation differences for foreign operations		(180,370)	(48,254)	-	-
Income tax effects		(1,969,354)	2,507,716	(1,969,354)	2,507,716
		7,697,046	(10,079,118)	7,877,416	(10,030,864)
<b>Other comprehensive income (loss) for the year, net of income tax</b>		<b>4,397,229</b>	<b>(10,073,623)</b>	<b>6,017,811</b>	<b>(10,148,615)</b>
<b>Total comprehensive income for the year</b>		<b>59,285,687</b>	<b>106,414,698</b>	<b>56,630,682</b>	<b>164,386,843</b>
<b>Profit (loss) attributable to:</b>					
Owners of the Company		54,641,042	116,645,990	50,612,871	174,535,458
Non-controlling interests		247,416	(157,669)	-	-
<b>Net profit for the year</b>		<b>54,888,458</b>	<b>116,488,321</b>	<b>50,612,871</b>	<b>174,535,458</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		59,038,271	106,572,367	56,630,682	164,386,843
Non-controlling interests		247,416	(157,669)	-	-
<b>Total comprehensive income for the year</b>		<b>59,285,687</b>	<b>106,414,698</b>	<b>56,630,682</b>	<b>164,386,843</b>
<b>Earnings per share</b>					
Basic earnings per share	26	0.98	2.15	0.90	3.22

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

## Prakit Holdings Public Company Limited and its Subsidiaries

## Consolidated statements of changes in shareholders' equity

For the year ended 31 December 2016

Unit : Baht

## Equity attributable to owners of the Company

	Notes	Retained earnings						Other components of equity			Equity		Total Shareholders' equity	
		Issued and paid - up share capital	Surplus on sale of treasury shares	Legal reserve	Unappropriated	Reserve for Treasury Shares	Treasury Shares	Fair value changes in available-for-sale investments	Currency translation differences	Total other components of equity	attributable to owners of the Company			
											Share premium	Shareholders' Interests		Company
<b>Balance at 1 January 2015</b>		<b>60,000,000</b>	<b>193,568,560</b>	-	<b>10,000,000</b>	<b>525,172,430</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(19,611,556)</b>	<b>(9,545)</b>	<b>(19,621,101)</b>	<b>769,119,889</b>	<b>1,458,547</b>	<b>770,578,436</b>
Dividend paid	21	-	-	-	(43,360,000)	-	-	-	-	-	(43,360,000)	(1,050)	(43,361,050)	
Total comprehensive income (loss) for the year														
Profit for the year		-	-	-	116,645,990	-	-	-	-	-	116,645,990	(157,669)	116,488,321	
Other comprehensive income														
Actuarial gain		-	-	-	5,495	-	-	-	-	-	5,495	-	5,495	
Others		-	-	-	-	-	-	(10,030,864)	(48,254)	(10,079,118)	(10,079,118)	-	(10,079,118)	
<b>Balance at 31 December 2015</b>		<b>60,000,000</b>	<b>193,568,560</b>	-	<b>10,000,000</b>	<b>598,463,915</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(29,642,420)</b>	<b>(57,799)</b>	<b>(29,700,219)</b>	<b>832,332,256</b>	<b>1,299,828</b>	<b>833,632,084</b>
<b>Balance at 1 January 2016</b>		<b>60,000,000</b>	<b>193,568,560</b>	-	<b>10,000,000</b>	<b>598,463,915</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(29,642,420)</b>	<b>(57,799)</b>	<b>(29,700,219)</b>	<b>832,332,256</b>	<b>1,299,828</b>	<b>833,632,084</b>
Dividend paid	21	-	-	-	(54,784,800)	-	-	-	-	-	(54,784,800)	(1,050)	(54,785,850)	
Total comprehensive income (loss) for the year														
Profit for the year		-	-	-	54,641,042	-	-	-	-	-	54,641,042	247,416	54,888,458	
Other comprehensive income														
Actuarial loss		-	-	-	(3,299,817)	-	-	-	-	-	(3,299,817)	-	(3,299,817)	
Others		-	-	-	-	-	-	7,877,416	(180,370)	7,697,046	7,697,046	-	7,697,046	
Sale of treasury shares	20	-	-	2,108,680	10,340,760	(10,340,760)	10,340,760	-	-	-	12,449,440	-	12,449,440	
Cancellation of treasury shares	20	(5,045,200)	-	(2,108,680)	7,153,880	(69,119,240)	69,119,240	-	-	-	-	-	-	
<b>Balance at 31 December 2016</b>		<b>54,954,800</b>	<b>193,568,560</b>	-	<b>10,000,000</b>	<b>612,514,980</b>	-	-	<b>(21,765,004)</b>	<b>(238,169)</b>	<b>(22,003,173)</b>	<b>849,035,167</b>	<b>1,546,194</b>	<b>850,581,361</b>

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

## Prakit Holdings Public Company Limited and its Subsidiaries

## Separate statements of changes in shareholders' equity

For the year ended 31 December 2016

Unit : Baht

	Notes	Issued and		Surplus on sale of treasury shares	Retained earnings			Other components of equity		Total Shareholders' equity
		paid - up share capital	Share premium		Legal reserve	Unappropriated	Reserve for Treasury Shares	Treasury Shares	Fair value changes in available-for-sale investments	
<b>Balance at 1 January 2015</b>		<b>60,000,000</b>	<b>193,568,560</b>	-	<b>10,000,000</b>	<b>431,256,946</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(19,611,556)</b>	<b>675,213,950</b>
Dividend paid	21	-	-	-	-	(43,360,000)	-	-	-	(43,360,000)
Total comprehensive income for the year										
Profit for the year		-	-	-	-	174,535,458	-	-	-	174,535,458
Other comprehensive income										
Actuarial loss		-	-	-	-	(117,751)	-	-	-	(117,751)
Others		-	-	-	-	-	-	-	(10,030,864)	(10,030,864)
<b>Balance at 31 December 2015</b>		<b>60,000,000</b>	<b>193,568,560</b>	-	<b>10,000,000</b>	<b>562,314,653</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(29,642,420)</b>	<b>796,240,793</b>
<b>Balance at 1 January 2016</b>		<b>60,000,000</b>	<b>193,568,560</b>	-	<b>10,000,000</b>	<b>562,314,653</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(29,642,420)</b>	<b>796,240,793</b>
Dividend paid	21	-	-	-	-	(54,784,800)	-	-	-	(54,784,800)
Total comprehensive income for the year										
Profit for the year		-	-	-	-	50,612,871	-	-	-	50,612,871
Other comprehensive income										
Actuarial loss		-	-	-	-	(1,859,605)	-	-	-	(1,859,605)
Others		-	-	-	-	-	-	-	7,877,416	7,877,416
Sale of treasury shares	20	-	-	2,108,680	-	10,340,760	(10,340,760)	10,340,760	-	12,449,440
Cancellation of treasury shares	20	(5,045,200)	-	(2,108,680)	-	7,153,880	(69,119,240)	69,119,240	-	-
<b>Balance at 31 December 2016</b>		<b>54,954,800</b>	<b>193,568,560</b>	-	<b>10,000,000</b>	<b>573,777,759</b>	-	-	<b>(21,765,004)</b>	<b>810,536,115</b>

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

## Prakit Holdings Public Company Limited and its Subsidiaries

## Statements of Cash Flows

For the year ended 31 December 2016

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>Cash flows from operating activities</b>					
Profit for the period		54,888,458	116,488,321	50,612,871	174,535,458
<i>Adjustment for</i>					
Depreciation	13	6,587,552	5,582,961	6,318,782	5,244,753
Amortisation of intangible assets		9,999	11,023	9,999	11,023
Reversal of allowance for doubtful debts		(2,083,109)	(655,991)	(2,125,437)	(655,991)
(Gain) loss on sales of current and long-term investments		(4,457,894)	1,921,120	(4,871,527)	556,738
(Gain) loss on adjustment of fair value of current investments		(5,710,674)	(2,145,977)	(4,968,426)	(562,305)
(Gain) loss on sale of investment property	4, 12	-	(103,537,770)	-	(160,300,000)
(Gain) loss on sale of property, plant and equipment		(345,412)	2,743	44,640	-
Provisions for employee benefits	17	2,349,898	2,557,635	764,892	772,977
Revenue from deferred lease right	16	(1,084,483)	(1,084,483)	(1,084,483)	(1,084,483)
Dividend income		(2,909,747)	(2,173,755)	(9,908,697)	(9,172,706)
Interest income		(4,557,340)	(5,155,708)	(4,376,405)	(4,945,321)
Other income		-	(1,000)	-	(1,000)
Share of (profit) loss from associated companies and joint venture - equity method		(1,319,557)	(1,491,574)	-	-
Unrealized (gain) loss from exchange rates		(64,150)	(115,660)	-	-
Income tax expense		12,810,371	42,828,141	9,858,639	41,385,124
		54,113,912	53,030,026	40,274,848	45,784,267
<i>Changes in operating assets and liabilities</i>					
Current investments sold		127,219,869	245,384,613	127,219,869	226,186,358
Addition to current investments		(187,108,738)	(311,704,383)	(140,108,738)	(291,704,382)
Trade accounts and other receivables		67,774,555	(50,473,806)	67,293,539	(55,389,295)
Other current assets		6,437,997	6,885,706	1,266,336	206,783
Other non-current assets		(5,221,464)	(4,981,399)	-	-
Trade accounts and other payable		34,435,928	35,025,775	601,243	30,673,451
Other current liabilities		(1,780,494)	7,581,562	(5,348,034)	6,825,210
Employee benefit obligations paid	17	(2,561,600)	(4,812,000)	-	(1,874,000)
Cash provided by (used in) operating activities		93,309,965	(24,063,906)	91,199,063	(39,291,608)
Income tax paid		(45,198,878)	(20,656,323)	(38,855,720)	(15,184,817)
<b>Net Cash provided by (used in) operating activities</b>		<b>48,111,087</b>	<b>(44,720,229)</b>	<b>52,343,343</b>	<b>(54,476,425)</b>

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

## Prakit Holdings Public Company Limited and its Subsidiaries

## Statements of Cash Flows

For the year ended 31 December 2016

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>Cash flows from investing activities</b>					
Loans to employees	11	-	(400,000)	-	(400,000)
Cash received from loans to employees	11	560,000	510,000	395,000	325,000
Time deposits		-	(1,000,000)	-	(1,000,000)
Investment in an associate company	10	-	(150,375,000)	-	(150,375,000)
Addition to long - term investments		(51,429,739)	(33,325,451)	(51,429,739)	(33,325,451)
Cash received from redemption of long-term investments		20,000,000	16,952,313	20,000,000	14,952,313
Cash received from sale of long-term investments		40,180,647	-	40,180,647	-
Purchases of property, plant and equipment	13	(11,136,798)	(6,777,825)	(10,900,248)	(6,624,156)
Purchase of intangible assets		-	(30,000)	-	(30,000)
Cash received from sale of investment property	4, 12	-	250,300,000	-	250,300,000
Cash received from sale of property, plant and equipment		390,075	12,000	-	-
Dividend received		2,909,748	2,173,755	9,908,697	9,172,706
Interest received		5,291,032	5,348,306	5,110,096	5,113,142
<b>Net cash provided by (used in) investing activities</b>		<b>6,764,965</b>	<b>83,388,098</b>	<b>13,264,453</b>	<b>88,108,554</b>
<b>Cash flows from financing activities</b>					
Dividend paid	21	(54,784,800)	(43,360,000)	(54,784,800)	(43,360,000)
Proceed from sale of treasury shares		12,449,440	-	12,449,440	-
Dividends paid to non-controlling interests		(1,050)	(1,050)	-	-
<b>Net cash provided by (used in) financing activities</b>		<b>(42,336,410)</b>	<b>(43,361,050)</b>	<b>(42,335,360)</b>	<b>(43,360,000)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>12,539,642</b>	<b>(4,693,181)</b>	<b>23,272,436</b>	<b>(9,727,871)</b>
Cash and cash equivalents at 1 January		85,102,746	89,774,793	33,073,494	42,801,365
Effect of exchange rate changes on balances held in foreign currencies		16,124	21,134	-	-
Gain (loss) from currency translation of foreign subsidiaries financial statements		(180,370)	-	-	-
<b>Cash and cash equivalents at 31 December</b>		<b>97,478,142</b>	<b>85,102,746</b>	<b>56,345,930</b>	<b>33,073,494</b>
<b>Non-cash transactions</b>					
Unutilized credit facilities for future working capital		41,000,000	41,000,000	1,000,000	1,000,000

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

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

**1. General information**

Prakit Holdings Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 88 Soi Sukhumvit 62 , 3<sup>rd</sup> intersection, Sukhumvit Road, Bangjak, Prakanong, Bangkok, Thailand.

The Company was registered with the Stock Exchange of Thailand on 30 July 1991.

The major shareholder for the period is Prakit and Associated Co., Ltd (held 24.95%) which is incorporated in Thailand.

The Company and its subsidiaries (the “Group”) is principally engaged in the production of media and advertisement, media agency, investing in securities and providing the management service to subsidiary, and affiliated companies. Details of the Company’s subsidiaries as at 31 December 2016 and 2015 are disclosed in note 9.

**2. Basis for preparation and presentation of financial statements**

2.1 The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles, which are issued under the Accounting Professions Act B.E.2547, and according to the requirements of the Securities and Exchange Commission, and the regulation of the Stock Exchange of Thailand.

2.2 The financial statements are presented for Thai currency reporting purpose and prepared in Thai language. This English translation of financial statements has been prepared for the convenience of the readers. All financial information presented in Thai Baht has been rounded in the notes to the financial statements unless otherwise stated.

2.3 New Financial Reporting Standards

2.3.1 The Financial Reporting Standards that became effective in the current accounting period

The Group has adopted the Thai Financial Reporting Standards that are effective for annual periods beginning on or after 1 January 2016. The adoption of these Thai Financial Reporting Standards does not have any significant impact on the Group financial statements.

2.3.2 The Financial Reporting Standards that will become effective in the future

The Financial Reporting Standards which are effective for accounting periods beginning on or after 1 January 2017 as follow:

**Thai Financial Reporting Standards**

TFRS 2 (revised 2016)	Share-based Payment
TFRS 3 (revised 2016)	Business Combinations
TFRS 4 (revised 2016)	Insurance Contracts
TFRS 5 (revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2016)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 11 (revised 2016)	Joint Arrangements
TFRS 12 (revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

**Accounting Standards**

TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events After the Reporting Period
TAS 11 (revised 2016)	Construction Contracts
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 20 (revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures
TAS 29 (revised 2016)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2016)	Earnings Per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 41 (revised 2016)	Agriculture
TAS 104 (revised 2016)	Troubled Debt Restructuring
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation

**Financial Reporting Standard Interpretations**

TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2016)	Applying the Restatement Approach under TAS 29 (revised 2016) - Financial

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

Reporting in Hyperinflationary Economies

TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2016)	Service Concession Arrangements
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
TFRIC 14 (revised 2016)	TAS 19 (revised 2016) Employee Benefits – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2016)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2016)	Transfers of Assets from Customers
TFRIC 20 (revised 2016)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2016)	Levies

**Accounting Standard Interpretations**

TSIC 10 (revised 2016)	Government Assistance – No Specific Relation to Operating Activities
TSIC 15 (revised 2016)	Operating Leases – Incentives
TSIC 25 (revised 2016)	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (revised 2016)	Disclosure – Service Concession Arrangements
TSIC 31 (revised 2016)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (revised 2016)	Intangible Assets – Web Site Costs

**FAP Announcement**

No. 5/2559	Accounting guidance for derecognition of financial assets and financial liabilities
No. 91/2559	Accounting guidance for insurance business to designate financial instruments as financial instruments measured at fair value through profit or loss

The Groups would not yet adopt the above standards before the effective date. The management of the Group are in the process of evaluating the impact of these Thai Financial Reporting Standards on the financial statements in the year when they are initially applied.

- 2.4 Historical cost is used as measurement basis in preparing these financial statements except some items indicated in relevant notes.
- 2.5 Preparation of financial statements in conformity with Thai Financial Reporting Standards, which requires management to make estimates and assumptions that affect the reported amounts of these interim financial statements. The actual results may differ from such estimates.



**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2016****3. Significant accounting policies**

The accounting policies set out below have been applied consistently in all periods presented in these financial statements.

**3.1 Basis of consolidation**

The consolidated financial statements relate to the Company and its subsidiaries and the Group's interests in associates and joint venture.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

*Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an equity when it 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. The financial statements of subsidiaries are included in the consolidated financial statements from their date on which control commences until the date on which control ceases.

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.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

*Associates*

Associates are those entities in which the Group has significant influence, but not control or joint controls over the financial and operating policies.

Investments in associate are accounted for in the consolidated financial statements using the equity method and are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2016***Joint venture*

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investment in joint venture are accounted for in the consolidated financial statement using the equity method and are recognised initially at cost, includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which joint control ceases.

## 3.2 Foreign currencies

*Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

*Foreign operations*

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rate at reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rate at the dates of the transactions.

Foreign exchange differences arising on translation are recognized in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

## 3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments.

## 3.4 Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2016**

## 3.5 Investments

*Investments in joint venture, associates and subsidiaries*

Investments in joint venture, associated and subsidiaries in the separate financial statements of the Company are accounted for using the cost method. Investment in joint venture and associates in the consolidated financial statements are accounted for using the equity method.

*Investments in other debt and equity securities*

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

*Disposal of investments*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

## 3.6 Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less impairment loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property to a working condition for its intended use.

The Group did not depreciate the investment in properties in land.

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

3.7 Property, plant and equipment

*Recognition and measurement*

*Owned assets*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net in profit or loss.

*Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

*Depreciation*

Depreciation is calculated based on the depreciable amount of buildings and equipment, which are the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvement	30	years
Buildings and improvement	30	years
Furniture and fixtures	5 - 10	years
Office equipment	3 - 10	years
Vehicles	5	years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

3.8 Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

*Amortisation*

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Computer software	3	years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.9 Impairment of assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

*Calculation of recoverable amount*

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2016**

## 3.10 Trade and other accounts payable

Trade and other accounts payable are stated at cost.

## 3.11 Deferred lease right

Deferred lease right has been recognized as income by the straight-line method over the period of long-term lease agreement, over 29 years.

## 3.12 Employee benefits

*Defined contribution plans*

Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in other comprehensive income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

*Termination benefits*

Termination benefits are expensed at the earlier of when the Group/Company can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

*Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## 3.13 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2016**

## 3.14 Treasury stock

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity. When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, 'Surplus on treasury shares'. Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

## 3.15 Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

*Sale of services rendered*

Service income is recognised as services are provided.

*Commissions*

When the Group acts in capacity of an agent rather than as the principal in a transaction, the revenue recognized is the net amount of commission made by the Group.

*Investments*

Revenue from investments comprises rental income from investment properties and dividend and interest income from investments and bank deposits.

*Rental income*

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

*Dividend income*

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

*Interest income*

Interest income is recognised in profit or loss as it accrues.

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2016**

## 3.16 Expenses

*Operating leases*

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

*Finance costs*

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration,

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

*Other expense*

Other expense is recognized in profit or loss as it accrues.

## 3.17 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint venture to the extent that it is probable that they will not reverse in the foreseeable future.



**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2016**

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**3.18 Earnings per share**

The Group presents basic earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

**3.19 Segment reporting**

Segment results that are reported to the chief operating decision maker include items directly attributable to a segment, as well as those that can be allocated on reasonable basis.

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

**4. Related parties**

For the purposes of these financial statements, parties are considered to be related to the company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with the related parties beside subsidiaries and associate companies and joint venture as disclosed in note 10 were as follows:

<b>Related company</b>	<b>Location</b>	<b>Relationship</b>
62 Content & Design Ltd. (Formerly name : 62 Graphic & Retouch Ltd.)	Thailand	common shareholders and/or directors
Impact VDO Production Co., Ltd.	Thailand	common shareholders and/or directors
Double P Marketing Communications Ltd.	Thailand	common shareholders and/or directors
DRAFT Advertising (Cambodia) Limited	Cambodia	common shareholders

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

<b>Transaction</b>	<b>Explanation</b>
Services incomes	The fees are charged at the same condition and basis as general customers
Cost of service	The mutually agreed rate
Sale of asset	The mutually agreed price
Sale of investment property	Appraisal value by independent appraiser
Office rental	Based on the space rate charged to other tenants
Management agreement	The mutually agreed rate
Dividend income	As declared by the invested entities

For the year ended 31 December 2016, the Company and its subsidiaries have made cash collection on behalf of a foreign related company in respect of media production cost in the amount of Baht 54.47 million (2015 : Baht 33.52 million) and media cost of Baht 52.16 million (2015 : Baht 38.32 million). No service fee has been considered for such activities.

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

The related party transactions with related companies for each of the year ended 31 December 2016 and 2015 are detailed as follows:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2016	2015	2016	2015
<b>Subsidiary companies</b>				
Service income	-	-	25	90
Management income	-	-	31,535	32,070
Rental income	-	-	3,107	3,107
Dividend income	-	-	6,999	6,999
Other income	-	-	97	97
Cost of services	-	-	22,494	12,776
Expenses	-	-	-	3,840
<b>Associated companies</b>				
Management income	-	96	-	96
Rental income	-	60	-	60
Other income	-	24	-	24
Dividend income	490	-	490	-
Gain from sales of investment property*	-	103,538	-	160,300
<b>Joint Venture</b>				
Service income	5,936	4,937	6	10
Agency commission	489	177	489	177
Management income	1,800	1,800	1,800	1,800
Rental income	285	180	285	180
Other income	-	64	-	64
<b>Other related companies/person</b>				
Service income	3,857	1,112	712	42
Agency commission	1,559	36	1,559	36
Management income	120	120	120	120
Rental income	300	-	300	-
Other income	2	-	2	-
Cost of services	4,411	4,369	1,243	1,222
<b>Key management remuneration</b>				
Short - term benefits	21,429	25,372	15,011	16,722
Post-employment benefits	475	706	187	250
<b>Total key management remuneration</b>	<b>21,904</b>	<b>26,078</b>	<b>15,198</b>	<b>16,972</b>

\* Gain from sales of investment properties was eliminated as intercompany transactions with investment in joint ventures as proportionate.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

Balances as at 31 December 2016 and 2015 with related parties are detailed as follows:

## 4.1 Trade accounts receivable-related companies

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<b>Subsidiary companies</b>				
Prakit Advertising Co., Ltd.	-	-	22,489	14,422
Marketing Drive Worldwide (Thailand) Ltd.	-	-	101	165
<b>Associated company</b>				
Direct Response (Thailand) Ltd.	-	16	-	16
<b>Joint Venture</b>				
Bangkok Writer and Partners Company Limited	7,682	6,194	696	1,058
<b>Other related companies</b>				
Double P Marketing Communications Ltd.	183	1,098	183	-
62 Content & Design Ltd. (Formerly name : 62 Graphic & Retouch Ltd.)	-	21	-	21
DRAFT Advertising (Cambodia) Limited	3	18	3	-
<b>Total</b>	<b>7,868</b>	<b>7,347</b>	<b>23,472</b>	<b>15,682</b>
Less Allowance for doubtful debts	-	-	-	-
<b>Net</b>	<b>7,868</b>	<b>7,347</b>	<b>23,472</b>	<b>15,682</b>

As at 31 December 2016 and 2015, aging analysis of trade accounts receivable from related companies are detailed as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Within credit terms	1,417	2,360	9,320	9,573
Overdue:				
Less than 3 months	1,397	1,391	8,404	5,852
3 - 6 months	1,460	1,786	5,578	159
6 - 12 months	2,738	1,810	170	98
Over 12 months	856	-	-	-
<b>Total</b>	<b>7,868</b>	<b>7,347</b>	<b>23,472</b>	<b>15,682</b>
Less Allowance for doubtful account	-	-	-	-
<b>Net</b>	<b>7,868</b>	<b>7,347</b>	<b>23,472</b>	<b>15,682</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2016

## 4.2 Media receivable-related companies

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<b>Subsidiary company</b>				
Marketing Drive Worldwide (Thailand) Ltd.	-	-	10,121	1,777
<b>Other related companies</b>				
DRAFT Advertising (Cambodia) Limited	97	-	97	-
Double P Marketing Communication Ltd.	12,727	-	12,727	-
<b>Joint Venture</b>				
Bangkok Writer and Partners Company Limited	20,684	13,014	20,684	13,014
<b>Total</b>	<b>33,508</b>	<b>13,014</b>	<b>43,629</b>	<b>14,791</b>

As at 31 December 2016 and 2015, aging analysis of media accounts receivable from related companies are detailed as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Within credit terms	13,485	1,567	16,383	3,344
Overdue:				
Less than 3 months	5,446	1,686	12,669	1,686
3 - 6 months	7,773	5,930	7,773	5,930
6 - 12 months	6,804	3,831	6,804	3,831
Over 12 months	-	-	-	-
<b>Total</b>	<b>33,508</b>	<b>13,014</b>	<b>43,629</b>	<b>14,791</b>
Less Allowance for doubtful account	-	-	-	-
<b>Net</b>	<b>33,508</b>	<b>13,014</b>	<b>43,629</b>	<b>14,791</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2016

4.3 *Advances to related companies*

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<b>Subsidiary companies</b>				
Prakit & FCB (Myanmar) Limited	-	-	2,486	2,486
Prakit Advertising (Myanmar) Co., Ltd.	-	-	3,763	3,257
Prakit & FCB (Cambodia) Co., Ltd.	-	-	-	2,125
<b>Associated company</b>				
Direct Response (Thailand) Limited.	-	4	-	5
<b>Other related company</b>				
DRAFT Advertising (Cambodia) Ltd.	2,545	4,719	-	13
<b>Total</b>	<b>2,545</b>	<b>4,723</b>	<b>6,249</b>	<b>7,886</b>
Less Allowance for doubtful debts	-	-	(2,486)	(4,611)
<b>Net</b>	<b>2,545</b>	<b>4,723</b>	<b>3,763</b>	<b>3,275</b>

4.4 *Trade accounts payable-related companies*

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<b>Subsidiary companies</b>				
Prakit Advertising Co., Ltd.	-	-	30,067	41,042
Marketing Drive Worldwide (Thailand) Ltd.	-	-	843	1,687
Prakit Advertising (Myanmar) Co., Ltd.	-	-	79	-
<b>Other Related company</b>				
62 Content & Design Ltd. (Formerly name: 62 Graphic & Retouch Ltd.)	2,575	4,423	152	1,231
<b>Total</b>	<b>2,575</b>	<b>4,423</b>	<b>31,141</b>	<b>43,960</b>

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

**4.5 Media payable-related companies**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<b>Subsidiary company</b>				
Prakit Advertising Co., Ltd	-	-	-	1,063

**4.6 Billing agent payable - related company**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
DRAFT Advertising (Cambodia) Limited	46,670	42,339	21,646	15,474

**4.7 Other matters**

The Company's bank deposit as mentioned in Note 9 has been pledged as collateral to obtain overdrafts facilities and letter of guarantee of a joint-venture company from a bank amounting to Baht 30 million.

Portions of land and building have been mortgaged and pledged as collateral to obtain Baht 58.50 million bank credit facilities for bank overdrafts of a subsidiary company.

Two subsidiary companies have entered into agreements to rent office spaces from the Company for periods of 3 years ended December 2015 and extending to December 2018 and ending December 2017, respectively, with the monthly rental rates at Baht 40,000 and Baht 113,200, respectively.

A subsidiary has entered into an agreement to lease office equipment and vehicle from the Company for a period of 3 years ending December 2017, with the monthly rental rate at Baht 105,738.

A joint-venture company has entered into an agreement to rent office space from the Company for a period of 1 year ending in May 2017, with the monthly rental rate at Baht 30,000.

The Company has entered into agreements to provide management services to 2 subsidiary companies for a period of 1 year ending December 2016, with the monthly service rate at Baht 2,289,055 plus 1% of media cost for the first subsidiary and at Baht 32,000 for the second subsidiary. The Company has also entered into an agreement to provide management service to a joint-venture company for a period of 2 years and 2 months ending December 2016 with the monthly service rate at Baht 150,000.

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

**5. Cash and cash equivalents**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Cash on hand	1,115	492	45	45
Cash at banks – current accounts	13,824	9,440	947	4,066
Cash at banks – savings accounts	82,539	75,171	55,354	28,963
<b>Total</b>	<b>97,478</b>	<b>85,103</b>	<b>56,346</b>	<b>33,074</b>

**6. Investments in Private Fund**

In 2005, the Company has invested in a private fund. The Company has appointed SCB Asset Management Co., Ltd. as the Company's fund management with the initial fund of Baht 20 million. The Company has set the investment policy as Privileged Select – IPO which is a flexible fund and emphasizes on investing in equity securities, common shares of newly listed companies with good performance and debt securities. Such investment policy is depending upon the authorized security company's judgment based on the Company's investment objective. The management and custodian fees will be charged at the rates stipulated in the fund management contract. Bank of Ayudhaya Plc. has been appointed as the Company's custodian.

As at 31 December 2016 and 2015 the investment in private fund consisted of.

	Unit : Thousand Baht	
	Consolidated and Separate	
	financial statement	
	2016	2015
Unit fund	20,000	20,000
Unrealized gain on fair value adjustment	10,327	8,242
<b>Total</b>	<b>30,327</b>	<b>28,242</b>



**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

As at 31 December 2016 and 2015, the Company received the investment report from the assets management company, the manager of the above- mentioned fund, with the details as follows:

Unit : Thousand Baht

	<b>Consolidated and Separate</b>	
	<b>financial statement</b>	
	2016	2015
Cash on hand and at banks		
Deposits	1,271	3,083
Investments in securities- fair value		
Debt securities		
Debentures	14,205	12,334
Bonds	6,981	4,065
Promissory notes	-	996
Open-End Fund	6,556	7,532
Other assets and other liabilities		
Other assets	1,324	241
Other liabilities	(10)	(9)
<b>Total</b>	<b>30,327</b>	<b>28,242</b>

**7. Investments In Securities**

As at 31 December 2016 and 2015 investments in securities consisted of :

**Current Investments**

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2016	2015	2016	2015
<b>Trading securities</b>				
Marketable equity securities	4,935	6,300	4,935	6,300
Gain (loss) on fair value adjustment	830	(1,473)	830	(1,473)
<b>Total</b>	<b>5,765</b>	<b>4,827</b>	<b>5,765</b>	<b>4,827</b>
Unit fund	373,706	311,578	303,543	288,636
Gain (loss) on fair value adjustment	2,769	2,347	2,441	2,127
<b>Total</b>	<b>376,475</b>	<b>313,925</b>	<b>305,984</b>	<b>290,763</b>
<b>Net</b>	<b>382,240</b>	<b>318,752</b>	<b>311,749</b>	<b>295,590</b>

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

The movements of current investments for each of the year ended 31 December 2016 and 2015 are as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2016	2015	2016	2015
Beginning balance of the period	318,752	251,559	295,590	229,418
Acquisition	187,109	311,704	140,109	291,704
Disposal	(127,220)	(245,385)	(127,220)	(226,186)
<b>Total</b>	<b>378,641</b>	<b>317,878</b>	<b>308,479</b>	<b>294,936</b>
Gain from fair value adjustment	3,599	874	3,270	654
<b>Net</b>	<b>382,240</b>	<b>318,752</b>	<b>311,749</b>	<b>295,590</b>

**Other long-Term Investment**

Unit : Thousand Baht

As at 31 December 2016

	<b>Consolidated/ Separate financial statements</b>			
	Security available for Sale	Held to Maturity	Other Investment	Total
	Debt Securities-Cost	-	71,000	5,000
Unrealized gain (loss) on fair value adjustment	-	-	26	26
	-	71,000	5,026	76,026
Less Current portion of held to maturity debt securities	-	(16,000)	-	(16,000)
<b>Total debt securities</b>	<b>-</b>	<b>55,000</b>	<b>5,026</b>	<b>60,026</b>
Equity Securities-Cost	80,138	-	-	80,138
Unrealized gain ( loss) on fair value adjustment	(27,206)	-	-	(27,206)
<b>Total equity securities</b>	<b>52,932</b>	<b>-</b>	<b>-</b>	<b>52,932</b>
<b>Net</b>	<b>52,932</b>	<b>55,000</b>	<b>5,026</b>	<b>112,958</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2016

Unit : Thousand Baht

As at 31 December 2015

	Consolidated/ Separate financial statements			
	Security available for Sale	Held to Maturity	Other Investment	Total
Debt Securities-Cost	-	76,000	-	76,000
Unrealized gain (loss) on fair value adjustment	-	-	-	-
	-	76,000	-	76,000
Less Current portion of held to maturity debt securities	-	(20,000)	-	(20,000)
<b>Total debt securities</b>	-	<b>56,000</b>	-	<b>56,000</b>
Equity Securities-Cost	97,471	-	-	97,471
Unrealized gain (loss) on fair value adjustment	(37,053)	-	-	(37,053)
<b>Total equity securities</b>	<b>60,418</b>	-	-	<b>60,418</b>
<b>Net</b>	<b>60,418</b>	<b>56,000</b>	-	<b>116,418</b>

The movements of long-term investments for the year ended 30 December 2016 and 2015 were as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Beginning balance of the period	136,418	131,222	136,418	129,222
Acquisition	47,178	37,577	47,178	37,577
Disposal	(64,511)	(19,842)	(64,511)	(17,842)
<b>Total</b>	<b>119,085</b>	<b>148,957</b>	<b>119,085</b>	<b>148,957</b>
Unrealized gain (loss) on fair value adjustment	9,873	(12,539)	9,873	(12,539)
Net investment	128,958	136,418	128,958	136,418
Less Current portion of held to maturity debt securities	(16,000)	(20,000)	(16,000)	(20,000)
<b>Net</b>	<b>112,958</b>	<b>116,418</b>	<b>112,958</b>	<b>116,418</b>

Differences between fair values and cost values are treated as “unrealized gain (loss) from fair value adjustment in securities” and presented in statements of comprehensive income.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

The maturity period of held-to-maturity debt securities are as follows:

As at 31 December 2016

Maturity period	Consolidated		Separate	
	financial statements		financial statements	
	Cost Value	Fair Value	Cost Value	Fair Value
Not over 1 year	16,000	16,000	16,000	16,000
Over 1 year but not over 5 years	30,000	30,000	30,000	30,000
Over 5 years but not over 10 years	25,000	25,000	25,000	25,000
<b>Total</b>	<b>71,000</b>	<b>71,000</b>	<b>71,000</b>	<b>71,000</b>

Unit: Thousand Baht

As at 31 December 2015

Maturity period	Consolidated		Separate	
	financial statements		financial statements	
	Cost Value	Fair Value	Cost Value	Fair Value
Not over 1 year	20,000	20,000	20,000	20,000
Over 1 year but not over 5 years	31,000	31,000	31,000	31,000
Over 5 years but not over 10 years	25,000	25,000	25,000	25,000
<b>Total</b>	<b>76,000</b>	<b>76,000</b>	<b>76,000</b>	<b>76,000</b>

Unit: Thousand Baht

#### 8. Trade accounts receivable and other receivables

As 31 December 2016 and 2015, trade accounts receivable and other receivables are detailed as follows :

Trade accounts receivable	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Trade accounts and notes receivable				
Related parties	7,868	7,347	23,472	15,682
Other parties – net	17,413	28,273	6,814	16,674
Media and notes receivable				
Related parties	33,508	13,014	43,629	14,791
Other parties - net	98,027	202,178	51,349	156,170

Unit : Thousand Baht

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2016	2015	2016	2015
<b>Other receivables</b>				
Billing agent receivables	29,043	25,898	15,237	13,752
Advances to related companies - net	2,545	4,723	3,763	3,275
Advances payments for media	29,269	7,198	14,106	3,417
Accrued income	12,714	11,634	5,665	7,493
Advances payments - others	60	1,359	45	50
Others	22,285	8,915	13,225	3,234
<b>Net</b>	<b>252,732</b>	<b>310,539</b>	<b>177,305</b>	<b>234,538</b>

As at 31 December 2016 and 2015, trade accounts receivable from other companies are detailed by aging analysis as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2016	2015	2016	2015
Within credit terms	7,648	20,929	1,711	12,732
Overdue:				
Less than 3 months	6,983	6,742	3,325	3,506
3-6 months	2,518	354	1,524	262
6-12 months	143	115	133	104
Over 12 months	3,844	3,810	2,163	2,112
<b>Total</b>	<b>21,136</b>	<b>31,950</b>	<b>8,856</b>	<b>18,716</b>
Less allowance for doubtful accounts	(3,723)	(3,677)	(2,042)	(2,042)
<b>Net</b>	<b>17,413</b>	<b>28,273</b>	<b>6,814</b>	<b>16,674</b>

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

As at 31 December 2016 and 2015, media receivables from other companies are detailed by aging analysis as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2016	2015	2016	2015
Within credit terms	52,512	157,091	17,482	124,917
Overdue:				
Less than 3 months	30,320	33,282	20,011	21,123
3-6 months	4,156	4,964	2,817	3,662
6-12 months	6,016	4,197	6,015	3,824
Over 12 months	15,886	13,507	8,671	6,291
<b>Total</b>	<b>108,890</b>	<b>213,041</b>	<b>54,996</b>	<b>159,817</b>
Less allowance for doubtful accounts	(10,863)	(10,863)	(3,647)	(3,647)
<b>Net</b>	<b>98,027</b>	<b>202,178</b>	<b>51,349</b>	<b>156,170</b>

**9. Bank Deposit held as collateral**

Unit : Thousand Baht

	<b>Consolidated/ Separate financial statements</b>			
	2016		2015	
	Amount	Interest Rate	Amount	Interest Rate
Time deposit - bank overdraft	30,000	1.70%	30,000	2.60%
Saving lottery - retention	2,001	-	2,001	-
<b>Total</b>	<b>32,001</b>		<b>32,001</b>	

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

## 10. Investments in joint venture , associated and subsidiary companies

As at 31 December 2016

Unit : Thousand Baht

Consolidated financial statements						
Company	Type of business	Paid-up share capital (in Baht)	Investment Ownership (%)	Valuation		
				Cost method	Equity method	Dividend received
<b>Associated Companies</b>						
Direct Response (Thailand) Ltd.	Advertising	2,000,000	49.00	1,421	2,171	490
Sukhumvit 62 Medical Ltd.	Hospital	428,625,000	35.41	150,375	93,272	-
<b>Joint Venture (Held by a subsidiary)</b>						
Bangkok Writer and Partners Co., Ltd.	Advertising	10,000,000	42.00	16,800	20,986	-
					<b>116,429</b>	<b>490</b>

As at 31 December 2015

Unit : Thousand Baht

Consolidated financial statements						
Company	Type of business	Paid-up share capital (in Baht)	Investment Ownership (%)	Valuation		
				Cost method	Equity method	Dividend received
<b>Associated Companies</b>						
Direct Response (Thailand) Ltd.	Advertising	2,000,000	49.00	1,421	2,237	-
Sukhumvit 62 Medical Limited	Hospital	428,625,000	35.41	150,375	93,388	-
<b>Joint Venture (Held by a subsidiary)</b>						
Bangkok Writer and Partners Co., Ltd.	Advertising	10,000,000	42.00	16,800	19,485	-
					<b>115,110</b>	<b>-</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

As at 31 December 2015

Unit : Thousand Baht

## Separate financial statements

Company	Type of business	Paid-up share capital (in Baht/ US\$)	Investment Ownership		Valuation of investments by cost method		Dividend	
			Ownership (%)		2016	2015	2016	2015
			2016	2015	2016	2015	2016	2015
<b>Subsidiary Companies</b>								
Prakit Advertising Co., Ltd	Advertising	10,000,000	99.99	99.99	9,999	9,999	4,999	4,999
Prakit&FCB (Myanmar) Limited*	Advertising	88,084 US\$	90.00	90.00	2,011	2,011	-	-
Prakit&FCB (Cambodia) Co., Ltd.	Advertising	25,000 US\$	80.00	80.00	507	507	-	-
Marketing Drive Worldwide								
(Thailand) Limited	Advertising	2,000,000	99.965	99.965	1,999	1,999	1,999	1,999
Prakit Advertising (Myanmar) Co.,Ltd	Advertising	25,000 US\$	90.00	90.00	744	744	-	-
<b>Associated Companies</b>								
Direct Response (Thailand) Limited	Advertising	2,000,000	49.00	49.00	1,421	1,421	490	-
Sukhumvit 62 Medical Limited **	Hospital	428,625,000	35.41	35.41	150,375	150,375	-	-
<b>Total</b>					<b>167,056</b>	<b>167,056</b>	<b>7,488</b>	<b>6,998</b>
Less Allowance for impairment loss					(2,011)	(2,011)	-	-
<b>Total investments</b>					<b>165,045</b>	<b>165,045</b>	<b>7,488</b>	<b>6,998</b>

\*The Company did not include the financial statements of Prakit & FCB (Myanmar) Limited for each of the period ended 31 December 2016 and 31 December 2015 in the consolidated financial statements due to such company has ceased its operations and is currently in the process of liquidation.

\*\*The board of directors's meeting No. 5/2015 held on 23 July 2015, approved to purchase 7,500 common shares of Sukhumvit 62 Medical Ltd. ("Medical") at total value of Baht 750,000 and another of 2,992,500 shares from increase in additional share capital of such company at par of Baht 100 per share, total holding in 3,000,000 shares of Medical represents 35.41% of registered share capital. The Company has paid Baht 50 per share for the newly increased shares.

The financial statements of associates and joint ventures as at 31 December 2016 and 2015 audited by other auditors.

The financial information of associates and joint ventures and the Group's interest in these companies are as follows.

	Unit : Thousand Baht					
	Direct response (Thailand) Ltd.		Bangkok Writer and Partners Co., Ltd.		Sukhumvit 62 Medical Ltd.	
	2016	2015	2016	2015	2016	2015
Total assets	3,485	5,656	78,534	64,619	430,273	427,641
Total liabilities	25	1,061	58,566	48,226	3,034	75
Total income	23	1,824	149,879	144,955	873	355
Profit (loss) for the year	(135)	(408)	3,575	4,564	(327)	(636)
Share of profit (loss) on equity method	(66)	(199)	1,501	1,916	(116)	(225)
Group share of net asset	1,695	2,252	8,387	6,885	151,286	151,401



**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

**11. Loans to employee**

As at 31 December 2016 and 2015, the movement of loans to employees were as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Beginning balance	815	925	600	525
Add increase during the year	-	400	-	400
<b>Total</b>	<b>815</b>	<b>1,325</b>	<b>600</b>	<b>925</b>
Less decrease during the year	(560)	(510)	(395)	(325)
Ending balance	255	815	205	600
Less current portion of due within 1 year	(230)	(465)	(180)	(300)
<b>Net</b>	<b>25</b>	<b>350</b>	<b>25</b>	<b>300</b>

According to the Company's policy, the interest free loans were provided to its employees as fringe benefits of its employees. Current portion of loan to employees were included in other current assets.

**12. Investment property**

As at 31 December 2016, the investment property represent investment in land for lease at cost of Baht 46.22 million (2015: Baht 46.22 million), at fair value of Baht 125.32 million (2015: Baht 125.32 million).

In 2015, the Company sold an investment property with the carrying amount of Baht 90 million to an associated company at Baht 250.30 million. Gain from sale were recorded in the separated and consolidated financial statements in the amount of Baht 160.30 million and Baht 103.54 million, respectively.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

## 13. Property, plant and equipment

Unit : Thousand Baht

Consolidated financial statements									
	Land	Buildings and improvement	Land improvement	Leasehold asset improvements	Furniture and fixtures	Office equipment	Vehicles	Construction in progress	Total
<b>Cost</b>									
<b>As at 1 January 2015</b>	<b>54,811</b>	<b>89,481</b>	<b>2,699</b>	<b>439</b>	<b>11,242</b>	<b>14,133</b>	<b>21,154</b>	<b>-</b>	<b>193,959</b>
Purchase	-	42	-	55	361	998	1,453	3,868	6,777
Disposal	-	-	-	(45)	(39)	(296)	-	-	(380)
<b>As at 31 December 2015</b>	<b>54,811</b>	<b>89,523</b>	<b>2,699</b>	<b>449</b>	<b>11,564</b>	<b>14,835</b>	<b>22,607</b>	<b>3,868</b>	<b>200,356</b>
Purchase	-	5,509	-	-	5,110	3,089	1,297	5,313	20,318
Disposal	-	-	-	(142)	(456)	(844)	(3,559)	(9,181)	(14,182)
<b>As at 31 December 2016</b>	<b>54,811</b>	<b>95,032</b>	<b>2,699</b>	<b>307</b>	<b>16,218</b>	<b>17,080</b>	<b>20,345</b>	<b>-</b>	<b>206,492</b>
<b>Accumulated depreciation</b>									
<b>As at 1 January 2015</b>	<b>-</b>	<b>59,426</b>	<b>1,631</b>	<b>164</b>	<b>10,427</b>	<b>12,741</b>	<b>17,823</b>	<b>-</b>	<b>102,212</b>
Depreciation for the year	-	3,392	90	75	275	685	1,066	-	5,583
Disposal	-	-	-	(7)	(28)	(262)	-	-	(297)
<b>As at 31 December 2015</b>	<b>-</b>	<b>62,818</b>	<b>1,721</b>	<b>232</b>	<b>10,674</b>	<b>13,164</b>	<b>18,889</b>	<b>-</b>	<b>107,498</b>
Depreciation for the year	-	4,042	89	63	437	970	986	-	6,587
Disposal	-	-	-	(135)	(445)	(802)	(3,558)	-	(4,940)
<b>As at 31 December 2016</b>	<b>-</b>	<b>66,860</b>	<b>1,810</b>	<b>160</b>	<b>10,666</b>	<b>13,332</b>	<b>16,317</b>	<b>-</b>	<b>109,145</b>
<b>Net book Value</b>									
<b>As at 31 December 2015</b>	<b>54,811</b>	<b>26,705</b>	<b>978</b>	<b>217</b>	<b>890</b>	<b>1,671</b>	<b>3,718</b>	<b>3,868</b>	<b>92,858</b>
<b>As at 31 December 2016</b>	<b>54,811</b>	<b>28,172</b>	<b>889</b>	<b>147</b>	<b>5,552</b>	<b>3,748</b>	<b>4,028</b>	<b>-</b>	<b>97,347</b>

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

Unit : Thousand Baht

Cost	Separate financial statements							Total
	Land	Buildings and improvement	Land improvement	Furniture and fixtures	Office equipment	Vehicles	Construction in progress	
<b>As at 1 January 2015</b>	<b>54,811</b>	<b>89,481</b>	<b>2,699</b>	<b>10,892</b>	<b>10,808</b>	<b>15,867</b>	-	<b>184,558</b>
Purchase	-	42	-	355	906	1,453	3,868	6,624
Disposal	-	-	-	-	-	-	-	-
<b>As at 31 December 2015</b>	<b>54,811</b>	<b>89,523</b>	<b>2,699</b>	<b>11,247</b>	<b>11,714</b>	<b>17,320</b>	<b>3,868</b>	<b>191,182</b>
Purchase	-	5,509	-	5,055	2,907	1,297	5,313	20,081
Disposal	-	-	-	(381)	(761)	-	(9,181)	(10,323)
<b>As at 31 December 2016</b>	<b>54,811</b>	<b>95,032</b>	<b>2,699</b>	<b>15,921</b>	<b>13,860</b>	<b>18,617</b>	-	<b>200,940</b>
<b>Accumulated depreciation</b>								
<b>As at 1 January 2015</b>	-	<b>59,426</b>	<b>1,631</b>	<b>10,222</b>	<b>9,925</b>	<b>12,536</b>	-	<b>93,740</b>
Depreciation for the year	-	3,392	90	219	477	1,067	-	5,245
Disposal	-	-	-	-	-	-	-	-
<b>As at 31 December 2015</b>	-	<b>62,818</b>	<b>1,721</b>	<b>10,441</b>	<b>10,402</b>	<b>13,603</b>	-	<b>98,985</b>
Depreciation for the year	-	4,042	89	403	798	986	-	6,318
Disposal	-	-	-	(372)	(726)	-	-	(1,098)
<b>As at 31 December 2016</b>	-	<b>66,860</b>	<b>1,810</b>	<b>10,472</b>	<b>10,474</b>	<b>14,589</b>	-	<b>104,205</b>
<b>Net book Value</b>								
<b>As at 31 December 2015</b>	<b>54,811</b>	<b>26,705</b>	<b>978</b>	<b>806</b>	<b>1,312</b>	<b>3,717</b>	<b>3,868</b>	<b>92,197</b>
<b>As at 31 December 2016</b>	<b>54,811</b>	<b>28,172</b>	<b>889</b>	<b>5,449</b>	<b>3,386</b>	<b>4,028</b>	-	<b>96,735</b>

Some of land and building of Baht 82.82 million are mortgaged to secure the bank overdraft of a subsidiary.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

## 14. Deferred tax asset

Deferred tax assets and liabilities as at 31 December 2016 and 2015 were as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Deferred tax assets	11,181	12,792	7,673	9,449
Deferred tax liabilities	(1,779)	(802)	(1,685)	(773)
<b>Net</b>	<b>9,402</b>	<b>11,990</b>	<b>5,988</b>	<b>8,676</b>

Movements in total deferred tax assets and liabilities during for the years ended 31 December 2016 and 2015 were as follows:

Unit : Thousand Baht

	Consolidated financial statements				31 December 2016
	1 January 2016	(Charged) / Credited to:		Recognized direct to Equity	
		Profit or loss	Other comprehend sive income		
<b><i>Deferred tax assets</i></b>					
Trade account receivable	1,035	-	-	-	1,035
Other receivable	425	(425)	-	-	-
Investments in subsidiaries	402	-	-	-	402
Investment in marketable securities	7,410	-	(1,969)	-	5,441
Provisions	3,520	(42)	825	-	4,303
<b>Total</b>	<b>12,792</b>	<b>(467)</b>	<b>(1,144)</b>	<b>-</b>	<b>11,181</b>
<b><i>Deferred tax liabilities</i></b>					
Investment in marketable securities	802	977	-	-	1,779
<b>Total</b>	<b>802</b>	<b>977</b>	<b>-</b>	<b>-</b>	<b>1,779</b>
<b>Net</b>	<b>11,990</b>	<b>(1,444)</b>	<b>(1,144)</b>	<b>-</b>	<b>9,402</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2016

Unit : Thousand Baht

	Consolidated financial statements				
	(Charged) / Credited to:				
	1 January 2015	Profit or loss	Other comprehend sive income	Recognized direct to Equity	31 December 2015
<b><i>Deferred tax assets</i></b>					
Trade account receivable	1,035	-	-	-	1,035
Other receivable	556	(131)	-	-	425
Investments in subsidiaries	402	-	-	-	402
Investment in marketable securities	4,903	-	2,507	-	7,410
Provisions	3,972	(451)	(1)	-	3,520
<b>Total</b>	<b>10,868</b>	<b>(582)</b>	<b>2,506</b>	<b>-</b>	<b>12,792</b>
<b><i>Deferred tax liabilities</i></b>					
Investment in marketable securities	1,194	(392)	-	-	802
<b>Total</b>	<b>1,194</b>	<b>(392)</b>	<b>-</b>	<b>-</b>	<b>802</b>
<b>Net</b>	<b>9,674</b>	<b>(190)</b>	<b>2,506</b>	<b>-</b>	<b>11,990</b>

Unit : Thousand Baht

	Separate financial statements				
	(Charged) / Credited to:				
	1 January 2016	Profit or loss	Other comprehend sive income	Recognized direct to Equity	31 December 2016
<b><i>Deferred tax assets</i></b>					
Other receivable	425	(425)	-	-	-
Investments in subsidiaries	402	-	-	-	402
Investment in marketable securities	7,409	-	(1,969)	-	5,440
Provisions	1,213	153	465	-	1,831
<b>Total</b>	<b>9,449</b>	<b>(272)</b>	<b>(1,504)</b>	<b>-</b>	<b>7,673</b>
<b><i>Deferred tax liabilities</i></b>					
Investment in marketable securities	773	912	-	-	1,685
<b>Total</b>	<b>773</b>	<b>912</b>	<b>-</b>	<b>-</b>	<b>1,685</b>
<b>Net</b>	<b>8,676</b>	<b>(1,184)</b>	<b>(1,504)</b>	<b>-</b>	<b>5,988</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

Unit : Thousand Baht

	Separate financial statements				
	(Charged) / Credited to:				
	1 January 2015	Profit or loss	Other comprehend sive income	Recognized direct to Equity	31 December 2015
<b>Deferred tax assets</b>					
Other receivable	556	(131)	-	-	425
Investments in subsidiaries	402	-	-	-	402
Investment in marketable securities	4,902	-	2,507	-	7,409
Provisions	1,404	(220)	29	-	1,213
<b>Total</b>	<b>7,264</b>	<b>(351)</b>	<b>2,536</b>	<b>-</b>	<b>9,449</b>
<b>Deferred tax liabilities</b>					
Investment in marketable securities	1,078	(305)	-	-	773
<b>Total</b>	<b>1,078</b>	<b>(305)</b>	<b>-</b>	<b>-</b>	<b>773</b>
<b>Net</b>	<b>6,186</b>	<b>(46)</b>	<b>2,536</b>	<b>-</b>	<b>8,676</b>

## 15. Trade accounts and other payables

As at 31 December 2016 and 2015, trade accounts payable and other payables are consisted of :

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2016	2015	2016	2015
<b>Trade accounts payable</b>				
Trade accounts payable and notes payable				
Related companies	2,575	4,423	31,141	43,960
Other companies	28,688	24,186	5,480	9,608
Media and notes payable				
Related companies	-	-	-	1,063
Other companies	146,914	138,649	100,961	96,691
<b>Total</b>	<b>178,177</b>	<b>167,258</b>	<b>137,582</b>	<b>151,322</b>
<b>Other payables</b>				
Billing agent payable – related company	46,670	42,339	21,646	15,474
Billing agent payable - other	1,839	-	1,839	-
Deposits received	51,939	29,177	31,880	24,299
Accrued expenses	10,649	18,580	3,928	5,165
Others	13,172	14,908	10,511	14,777
<b>Total</b>	<b>124,269</b>	<b>105,004</b>	<b>69,804</b>	<b>59,715</b>
<b>Total trade accounts payable and other payables</b>	<b>302,446</b>	<b>272,262</b>	<b>207,386</b>	<b>211,037</b>

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

**16. Deferred lease right**

As at 31 December 2016 and 2015, deferred lease right were consisted of:

	Unit : Thousand Baht	
	<b>Consolidated and Separate</b>	
	<b>financial statements</b>	
	2016	2015
Deferred lease right	15,566	16,650
Earned during the year	(1,084)	(1,084)
<b>Net</b>	<b>14,482</b>	<b>15,566</b>

Deferred lease right is the right from lending a plot of land to a company which has 29 year operating lease agreement. Furthermore, the Company receives the annual income from this asset as follows:

	<i>(in thousand Baht)</i>
	<u>Annul rental income</u>
2011-2015	363
2016-2020	399
2021-2025	439
2026-2029	483

**17. Employee benefit obligations**

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2016	2015	2016	2015
Defined benefit obligations at 1 January	17,598	19,859	6,061	7,015
Actuarial gains recognized in other comprehensive income	4,125	(7)	2,325	147
Current service cost recognized in profit or loss	1,724	1,739	510	575
Interest on obligation recognized in profit or loss	626	819	255	198
Benefits paid by the plan	(2,562)	(4,812)	-	(1,874)
<b>Defined benefit obligations at 31 December</b>	<b>21,511</b>	<b>17,598</b>	<b>9,151</b>	<b>6,061</b>

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

Actuarial assumption at the reports date were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
			(%)	
Discount rate	2.87	4.50	2.87	4.50
Turn over rate	0-34	0-34	0-34	0-34
Future salary increases	4.39	5.29	4.39	5.29
Mortality rate	100.0**	100.0**	100.0**	100.0**
Disability rate	10.0**	10.0**	10.0**	10.0**

\*\* Thailand Mortality Ordinary Table 2008

**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.

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
<i>Defined benefit obligation 31 December 2016</i>	Increase	Decrease	Increase	Decrease
Discount Rate (0.50% movement)	20,788	22,409	8,774	9,550
Salary Increase Rate (0.50% movement)	22,498	20,697	9,588	8,735
Turnover Rate (0.50% movement)	20,588	22,622	8,684	9,646

**18. Share Capital**

	Par value (Baht)	Unit : Thousand shares/ Baht Thousand			
		2016		2015	
		No of share	Baht	No of share	Baht
<b><i>Shre registered</i></b>					
As at 1 January		99,484	99,484	99,484	99,484
Decrease share	1	(5,045)	(5,045)	-	-
<b>As at 31 December</b>	1	<b>94,439</b>	<b>94,439</b>	<b>99,484</b>	<b>99,484</b>
<b><i>Paid up share</i></b>					
As at 1 January		60,000	60,000	60,000	60,000
Decrease share	1	(5,045)	(5,045)	-	-
<b>As at 31 December</b>	1	<b>54,955</b>	<b>54,955</b>	<b>60,000</b>	<b>60,000</b>



**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2016****19. Capital surplus and reserves****Share premium**

Section 51 of the Public Companies Act B.E. 1992 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

**Legal reserve**

Section 116 of the Public Companies Act B.E. 1992 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

**Treasury shares reserve**

The treasury shares reserve represents the amount appropriated from retained earnings equal to the cost of the Company’s own shares held by the Company. The treasury shares reserve is not available for dividend distribution.

**Other component of equity***Currency translation differences*

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations in a foreign operation.

*Fair value changes in available-for-sale investments*

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognized

**20. Treasury shares**

On 8 April 2014, the Board of Directors approved to undertake a treasury share program for financial management purposes with the maximum amount of not exceeding Baht 79.46 million for the repurchase of not exceeding 5,800,000 shares at the par value of Baht 13.70 per share and not exceeding 9.67% of the total of paid - up shares. The procedure used for the repurchase of shares is on the general offer to shareholders at the price of baht 13.70 per share. The repurchase date was 28 April 2014. The payment for treasury shares was recognised as a separate item in the shareholder's equity. The Company has set up a reserve for this treasury shares equivalents to the repurchase value of the outstanding treasury shares.

The period of the resale of treasury shares is from 1 December 2014 to 18 November 2016 (after 6 months from the completion date of share repurchase and not later than 3 years from such date).

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2016**

The amount of consideration paid for the repurchase of the Company's shares, including directly attributable costs, is classified as treasury shares and recognised as a separate item in shareholders' equity. An equal amount is appropriated from retained earnings and taken as a reserve for treasury shares. When treasury shares are sold, the amount received is recognised as an increase in equity. Cost of the treasury shares sold, calculated using the weighted average cost method, will be deducted from the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, 'Surplus on treasury shares'. Net deficits on sale or cancellation of treasury shares are charged to retained earnings after setting off against any remaining balance of surplus on treasury shares.

In 2016, the Company sold 754,800 treasury shares at the total value of Baht 12,449,440 and has a surplus of Baht 2,108,680. In addition, the Company has cancelled the remaining treasury share of 5,045,200 shares at the total cost of Baht 69,119,240 with reserve for treasury shares and decreased share registered and paid up share capital by adjusted the net amount of Baht 7,153,880 to the retained earnings with the surplus on the sale of treasury shares of Baht 2,108,680 and paid up share capital of Baht 5,045,200.

**21. Dividend****The Company**

The Annual General Meeting of the Company's No.1/2016 held on 25 April 2016 had passed a resolution to pay dividend at the rate of Baht 1 per share amounting to Baht 54.78 million, paid on 23 May 2016.

Held on 23 April 2015, the Annual General Meeting of the Company's No.1/2015 had pass a resolution to pay dividend at the rate of Baht 0.80 per share amounting to Baht 43.36 million, paid on 22 May 2015.

The Company has not paid dividend to foreign investors who are not eligible to receive dividend due to their investments have not been made in compliance with rules of SET.

**Subsidiary**

The Annual General Meeting of 2 subsidiaries No.1/2016 held on 28 April 2016 had passed a resolution to pay dividend at the rate of Baht 50 per share and Bath 100 per share, respectively, amounting to Baht 5 million and Bath 2 million, respectively.

The Annual General Meeting of 2 subsidiaries No.1/2015 held on 28 April 2015 had pass a resolution to pay dividend at the rate of Baht 50 per share and Bath 100 per share, respectively, amounting to Baht 5 million and Bath 2 million, respectively.

**22. Segment information**

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different services and are managed separately. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

- Segment 1 Advertising production
- Segment 2 Media agency
- Segment 3 Investing business

In addition, the Group has presented the information relating to geographic segments based on the geographical location of assets. Information regarding the results of each reportable segment is included in the internal management reports that are reviewed by the Group's CODM.

Information in reportable segment in consolidated financial statement information for the year ended 31 December 2016 and 2015 are as follow:

Unit : Million Baht

	Service income		Agency income		Investment income		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	Revenues	229	208	138	161	18	111	385
Profit for reportable segments	35	28	82	102	18	111	135	241
Unallocated other income							20	8
Unallocated expense							(87)	(90)
<b>Profit before income tax</b>							<b>68</b>	<b>159</b>

Unit : Million Baht

	Service income		Agency income		Investment income		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	Total assets for reportable segments	33	39	153	238	690	631	876
Other unallocated amounts	-	-	-	-	-	-	340	290
<b>Consolidated total assets</b>	<b>33</b>	<b>39</b>	<b>153</b>	<b>238</b>	<b>690</b>	<b>631</b>	<b>1,216</b>	<b>1,198</b>

Information relating to geographical segments in the consolidated financial statements for the year ended 31 December 2016 and 2015 are as follows:

Unit : Million Baht

	Domestic		Oversea		Total	
	2016	2015	2016	2015	2016	2015
	Agency , services and investment income	370	478	15	2	385
Profit for reportable segment	132	240	5	1	137	241
Total assets for reportable segment	1,183	1,190	33	8	1,216	1,198

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

**23. Provident fund**

The Company, the subsidiary companies and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, the subsidiary companies and their employees contributed to the fund monthly at the rate of 5 percent of their basic salary. The fund, which is managed by Thanachart Fund Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. For the year ended 31 December 2016 and 2015, the Company and its subsidiaries contributed Baht 4.99 million and Baht 4.84 million respectively.

**24. Expenses by nature**

Significant expenses classified by nature were consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Employee expenses	137,475	138,527	61,258	60,241
Cost of service	194,425	179,854	85,962	63,159
Depreciation expenses	6,588	5,583	6,319	5,245

**25. Income tax**

Income tax for the year ended 31 December 2016 and 2015 are as follows:

	Unit: Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Current income tax	11,366	42,638	8,675	41,339
Deferred income tax	1,444	190	1,184	46
<b>Income tax reported in the statements of comprehensive income</b>	<b>12,810</b>	<b>42,828</b>	<b>9,859</b>	<b>41,385</b>

Income tax recognized in other comprehensive income

	Unit: Thousand Baht					
	Consolidated financial statements					
	2016			2015		
	Tax (expense)		Tax (expense)			
	Before tax	benefit	Net of tax	Before tax	benefit	Net of tax
Available-for-sale financial assets	9,846	(1,969)	7,877	(12,539)	2,507	(10,032)
Provisions	(4,125)	825	(3,300)	6	(1)	5
<b>Total</b>	<b>5,721</b>	<b>(1,144)</b>	<b>4,577</b>	<b>(12,533)</b>	<b>2,506</b>	<b>(10,027)</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

Unit: Thousand Baht

	Separate financial statements					
	2016			2015		
	Tax			Tax		
	(expense)			(expense)		
	Before tax	benefit	Net of tax	Before tax	benefit	Net of tax
Available-for-sale financial assets	9,846	(1,969)	7,877	(12,539)	2,507	(10,032)
Provisions	(2,325)	465	(1,860)	(147)	29	(118)
<b>Total</b>	<b>7,521</b>	<b>(1,504)</b>	<b>6,017</b>	<b>(12,686)</b>	<b>2,536</b>	<b>(10,150)</b>

Reconciliation between the average effective tax rate and the applicable tax rate for the years ended 31 December 2016 and 2015, are as follows:

Unit : Thousand Baht

	Consolidated financial statements			
	2016		2015	
	<i>Rate (%)</i>	<i>Amount</i>	<i>Rate (%)</i>	<i>Amount</i>
Profit before income tax expense		67,699		159,316
Income tax using the Thai corporation tax rate	20	13,540	20	31,863
Effect From elimination with subsidiaries		1,052		12,752
Exemption of income/Additional expenses deduction allowed		(4,254)		(3,399)
Expense net deductible for tax purposes and other		1,028		1,422
Current income tax		11,366		42,638
Movement in temporary differences		1,444		190
Income tax reduction		-		-
<b>Income tax expenses</b>	<b>19</b>	<b>12,810</b>	<b>27</b>	<b>42,828</b>

Unit : Thousand Baht

	Separate financial statements			
	2016		2015	
	<i>Rate (%)</i>	<i>Amount</i>	<i>Rate (%)</i>	<i>Amount</i>
Profit before income tax expense		60,472		215,921
Income tax using the Thai corporation tax rate	20	12,094	20	43,184
Exemption of income/Additional expenses deduction allowed		(3,678)		(2,805)
Expense net deductible for tax purposes and other		259		960
Current income tax		8,675		41,339
Movement in temporary differences		1,184		46
<b>Income tax expenses</b>	<b>16</b>	<b>9,859</b>	<b>19</b>	<b>41,385</b>

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

The income tax expenses is computed from the profit before income tax, which is in accordance with the regulation in the Revenue Code.

*Income tax reduction*

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

**26. Earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2016 and 2015 were based on the profit for the periods attributable to equity holders of the parent and the number of ordinary shares outstanding during the periods by using weighted average number of ordinary shares computing as follows:

	Unit : Thousand Baht/ Thousand Shares			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2016	2015	2016	2015
Profit attributable to ordinary shareholders of the Company	54,641	116,646	50,613	174,535
Number of ordinary shares outstanding	60,000	60,000	60,000	60,000
Less Written-off treasury shares	(5,045)	-	(5,045)	-
Less Treasury share (See note 20)	-	(5,800)	-	(5,800)
Add Sale treasury share (See note 20)	961	-	961	-
Weighted average number of paid-up ordinary share in issue during the periods	55,916	54,200	55,916	54,200
<b>Basic earnings per share (Baht)</b>	<b>0.98</b>	<b>2.15</b>	<b>0.90</b>	<b>3.22</b>

**27. Financial instruments**

**Financial risk management policies**

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

**Capital management**

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

**Interest rate risk**

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company and its subsidiaries' operations and its cash flows because deposits at banks, bank overdrafts and borrowings from financial institutions interest rates are fluctuations in market interest rates.

As at 31 December 2016, significant financial assets and liabilities of the Company and its subsidiaries were exposed from the interest rates as follows:

Unit : Thousand Baht

<b>Consolidated financial statements</b>							
	<u>Fixed Rate</u>			Adjusted to market rate	No interest rates	Total	Interest rates (% per annum)
	Within 1 year	1 – 5 years	>5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	82,539	14,939	97,478	0.375
Current investment	-	-	-	-	412,567	412,567	-
Debt securities held to maturity							
within one year	16,000	-	-	-	-	16,000	4.33-5.80
Trade and other receivables	-	-	-	-	252,732	252,732	-
Bank deposit held as							
collateral	30,000	2,001	-	-	-	32,001	1.70
Other long-term investments	-	47,026	13,000	-	52,931	112,957	3.00-6.00
Loan to employee	-	-	-	-	25	25	-
<b>Financial liabilities</b>							
Trade and other payable	-	-	-	-	302,446	302,446	-

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

Unit : Thousand Baht

	Separate financial statements						
	Fixed Rate			Adjusted to market rate	No interest rates	Total	Interest rates (%) per annum)
	Within 1 year	1 – 5 years	>5 years				
<b>Financial assets</b>							
Cash and cash equivalent	-	-	-	55,354	992	56,346	0.375
Current investment	-	-	-	-	342,076	342,076	-
Debt securities held to maturity							
within one year	16,000	-	-	-	-	16,000	4.33-5.80
Trade and other receivables	-	-	-	-	177,305	177,305	-
Bank deposit held as collateral	30,000	2,001	-	-	-	32,001	1.70
Other long-term investments	-	47,026	13,000	-	52,931	112,957	3.00-6.20
Loan to employee	-	-	-	-	25	25	-
<b>Financial liabilities</b>							
Trade and other payable	-	-	-	-	207,386	207,386	-

As at 31 December 2015, significant financial assets and liabilities of the Company and its subsidiaries were exposed from the interest rates as follows:

Unit : Thousand Baht

	Consolidated financial statements						
	Fixed Rate			Adjusted to market rate	No interest rates	Total	Interest rates (%) per annum)
	Within 1 year	1 – 5 years	>5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	75,171	9,932	85,103	0.375
Current investment	-	-	-	-	346,994	346,994	-
Debt securities held to maturity							
within one year	20,000	-	-	-	-	20,000	4.00-6.20
Trade and other receivables	-	-	-	-	310,539	310,539	-
Bank deposit held as collateral	30,000	2,001	-	-	-	32,001	2.60
Other long-term investments	-	31,000	25,000	-	60,418	116,418	4.00-6.20
Loan to employee	-	-	-	-	350	350	-
<b>Financial liabilities</b>							
Trade and other payable	-	-	-	-	272,262	272,262	-



## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

Unit : Thousand Baht

	Separate financial statements						Interest rates (% per annum)
	Fixed Rate			Adjusted to market rate	No interest rates	Total	
	Within 1 year	1 – 5 years	>5 years				
<b>Financial assets</b>							
Cash and cash equivalent	-	-	-	28,963	4,111	33,074	0.375
Current investment	-	-	-	-	323,832	323,832	-
Debt securities held to maturity							
within one year	20,000	-	-	-	-	20,000	4.00-6.20
Trade and other receivables	-	-	-	-	234,538	234,538	-
Bank deposit held as collateral							
	30,000	2,001	-	-	-	32,001	2.60
Other long-term investments	-	31,000	25,000	-	60,418	116,418	4.00-6.20
Loan to employee	-	-	-	-	300	300	-
<b>Financial liabilities</b>							
Trade and other payable	-	-	-	-	211,037	211,037	-

**Foreign currency risk**

At 31 December 2016 and 2015, the Group were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<b>United States Dollars</b>				
Cash and deposits at banks	12,852	1,797	-	-
Trade and other receivable	19,098	5,369	-	-
Equipment	384	368	-	-
Other assets	-	132	-	-
Other payable	(25,272)	(6,282)	-	-
<b>Gross balance sheet exposure</b>	<b>7,062</b>	<b>1,384</b>	<b>-</b>	<b>-</b>

**Prakit Holdings Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended 31 December 2016**

**Credit risk**

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial positions. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

**Liquidity risk**

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

**Fair Value Measurement**

The Financial instruments carried at fair value, by valuation method with different level defined as follows:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as price) or indirectly ( that is ,derived from prices)
- Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable input).

The financial assets and liabilities that are measured at fair value at 31 December 2016

Unit: Thousand Baht

	<b>Consolidated financial Statements</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Asset</b>				
Short-term investment	-	30,327	-	30,327
Held for trading securities (private fund)	-	376,475	-	376,475
Held for trading securities (Marketable equity securities)	5,765	-	-	5,765
Available for sale securities (Marketable equity securities)	52,932	5,026	-	57,958
<b>Total asset</b>	<b>58,697</b>	<b>411,828</b>	<b>-</b>	<b>470,525</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2016

Unit: Thousand Baht

	Separate financial Statements			
	Level 1	Level 2	Level 3	Total
<i>Asset</i>				
Short-term investment (Private fund)	-	30,327	-	30,327
Held for trading securities (Unit fund)	-	305,984	-	305,984
Held for trading securities (Marketable equity securities)	5,765	-	-	5,765
Available for sale securities (Marketable equity securities)	52,932	5,026	-	57,958
<b>Total asset</b>	<b>58,697</b>	<b>341,337</b>	<b>-</b>	<b>400,034</b>

The financial assets and liabilities that are measured at fair value at 31 December 2015

Unit: Thousand Baht

	Consolidated financial Statements			
	Level 1	Level 2	Level 3	Total
<i>Asset</i>				
Short-term investment	-	28,242	-	28,242
Held for trading securities (private fund)	-	313,925	-	313,925
Held for trading securities (Marketable equity securities)	4,827	-	-	4,827
Available for sale securities (Marketable equity securities)	60,418	-	-	60,418
<b>Total asset</b>	<b>65,245</b>	<b>342,167</b>	<b>-</b>	<b>407,412</b>

Unit: Thousand Baht

	Separate financial Statements			
	Level 1	Level 2	Level 3	Total
<i>Asset</i>				
Short-term investment (Private fund)	-	28,242	-	28,242
Held for trading securities (Unit fund)	-	290,763	-	290,763
Held for trading securities (Marketable equity securities)	4,827	-	-	4,827
Available for sale securities (Marketable equity securities)	60,418	-	-	60,418
<b>Total asset</b>	<b>65,245</b>	<b>319,005</b>	<b>-</b>	<b>384,250</b>

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2016***Valuation method of fair value for Level 2 input*

Investments in fund trust are fair valued using unit price base on Net Asset Value (NAV) of the funds that are publicized by the FundManager.

**28. Capital management**

The primary objectives of the Group capital management are to maintain their ability to continue as a going concern and to maintain an appropriate structure.

As at 31 December 2016 and 2015, debt-to-equity ratio in the consolidated financial statement was 0.43:1 and 0.44:1 , respectively, and the separate financial statement was 0.30:1 and 0.35:1, respectively.

**29. Commitments and contingent liabilities**

As at 31 December 2016 and 2015, the Company had commitments and contingent liabilities, which are not disclosed in other places in these financial statement, as follows:

The Company's land and building and fixed deposits of the Group directors as well as personal guarantee by the Company's directors and its subsidiary's directors were used as collateral for obtaining overdrafts facilities of the Company and its subsidiaries from several banks amounting to Baht 41 million.

The director's government bonds amounting to Baht 500,000 are used as collateral for issuing bank guarantee for the Company's electricity consumption with respect to the contract with Metropolitan Electricity Authority.

**30. Other information**

As at 31 December 2016 and 2015, net asset per share in the consolidated financial statements are Baht 15.48 per shares and Baht 15.36 per shares, respectively, and for the separate financial statements are Baht 14.75 per shares and Baht 14.69 per shares , respectively.

**31. Approval of financial statement**

The financial statements are authorized for issue by the Board of Directors on 24 February 2017.