

**Prakit Holdings Public Company Limited**  
**and its Subsidiaries**  
**Financial Statements**  
**and**  
**Independent Auditor's Report**  
**1 January 2017 to 31 December 2017**

## **Independent Auditor's Report**

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

#### ***Opinion***

I have audited the consolidated financial statements of Prakit Holdings Public Company Limited and its subsidiaries (the Group) and the separate financial statements of Prakit Holdings Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position as at 31 December 2017, 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 Prakit Holdings Public Company Limited and its subsidiaries and the separate financial position of Prakit Holdings Public Company Limited as at 31 December 2017, 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' 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 2017, the Group and the Company earns commission income on media agency service amounting to Baht 157 million in consolidated financial statements and Baht 101 million in the separate financial statements. The commission income is recognized when the advertisements are broadcasted and based on commission rate, discount rate and media costs. 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, but not limited to, the followings:</p> <ul style="list-style-type: none"><li>• Inquire the management for the agreement and criteria 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 received and trace to the accounting records.</li><li>• Subsequent test for media discount received after the reporting period.</li></ul>

***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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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

26 February 2018

## Prakit Holdings Public Company Limited and its Subsidiaries

## Statements of Financial Position

As at 31 December 2017

Unit : Baht

ASSETS	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	129,085,052	97,478,142	86,951,525	56,345,930
Current investments					
Private fund	6	31,739,118	30,327,039	31,739,118	30,327,039
Others	7	323,986,029	382,239,829	262,928,877	311,749,219
Current portion of held-to-maturity debt securities	7	12,001,000	16,000,000	12,001,000	16,000,000
Trade accounts and other receivables	8	350,077,955	252,731,951	266,019,448	177,305,200
Short-term loan to related party	4	10,000,000	-	-	-
Other current assets		17,956,077	10,846,266	6,983,095	4,119,787
<b>Total current assets</b>		<b>874,845,231</b>	<b>789,623,227</b>	<b>666,623,063</b>	<b>595,847,175</b>
<b>NON-CURRENT ASSETS</b>					
Bank deposit held as collateral	9	30,000,000	30,000,000	30,000,000	30,000,000
Investments in joint venture, associated and subsidiary companies	10	117,292,202	116,429,268	165,454,840	165,045,481
Other long-term investments	7	114,633,148	114,958,803	114,633,148	114,958,803
Loans to employees	11	90,000	25,000	-	25,000
Investment property	12	46,215,000	46,215,000	46,215,000	46,215,000
Property, plant and equipment	13	99,319,226	97,346,306	98,753,015	96,734,539
Intangible assets		2,530	12,529	2,527	12,526
Deferred tax assets	14	6,870,235	9,401,314	3,215,659	5,987,679
Other non-current assets		11,643,950	12,085,499	-	-
<b>Total non-current assets</b>		<b>426,066,291</b>	<b>426,473,719</b>	<b>458,274,189</b>	<b>458,979,028</b>
<b>TOTAL ASSETS</b>		<b>1,300,911,522</b>	<b>1,216,096,946</b>	<b>1,124,897,252</b>	<b>1,054,826,203</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 2017

Unit : Baht

LIABILITIES AND EQUITY	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>CURRENT LIABILITIES</b>					
Trade accounts and other payables	4, 15	315,053,041	302,446,115	218,043,837	207,386,226
Accrued income tax		1,950,713	44,348	1,950,714	44,348
Other current liabilities		34,376,665	27,033,135	17,230,810	13,227,855
<b>Total current liabilities</b>		<b>351,380,419</b>	<b>329,523,598</b>	<b>237,225,361</b>	<b>220,658,429</b>
<b>NON-CURRENT LIABILITIES</b>					
Deferred lease right	16	13,396,737	14,481,220	13,396,737	14,481,220
Employee benefit obligations	17	22,889,447	21,510,767	9,116,328	9,150,439
<b>Total non-current liabilities</b>		<b>36,286,184</b>	<b>35,991,987</b>	<b>22,513,065</b>	<b>23,631,659</b>
<b>TOTAL LIABILITIES</b>		<b>387,666,603</b>	<b>365,515,585</b>	<b>259,738,426</b>	<b>244,290,088</b>
<b>EQUITY</b>					
Share capital	18				
Authorized share capital					
94,438,800 common shares of Baht 1 each		94,438,800	94,438,800	94,438,800	94,438,800
Issued and fully paid - up capital					
54,954,800 common shares of Baht 1 each		-	54,954,800	-	54,954,800
60,450,262 common shares of Baht 1 each		60,450,262	-	60,450,262	-
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		659,439,635	612,514,980	613,198,453	573,777,759
Other components of equity		(12,440,100)	(22,003,173)	(12,058,449)	(21,765,004)
<b>Total equity attributable to the Company</b>		<b>911,018,357</b>	<b>849,035,167</b>	<b>865,158,826</b>	<b>810,536,115</b>
Non-controlling interests		2,226,562	1,546,194	-	-
<b>Total equity</b>		<b>913,244,919</b>	<b>850,581,361</b>	<b>865,158,826</b>	<b>810,536,115</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,300,911,522</b>	<b>1,216,096,946</b>	<b>1,124,897,252</b>	<b>1,054,826,203</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 2017

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>REVENUES</b>					
Revenue from rendering services	4, 21	323,502,065	226,864,625	91,146,072	90,476,400
Revenue from agency	21	157,060,737	138,150,159	101,218,969	81,511,216
Interest income	21	4,836,726	4,557,340	3,774,293	4,376,405
Dividend income	10, 21	1,332,745	2,909,747	4,410,045	9,908,697
Management income	4	1,895,000	1,920,000	34,448,790	33,455,267
Other revenues		26,807,528	29,177,292	19,296,697	22,890,186
<b>Total revenues</b>		<b>515,434,801</b>	<b>403,579,163</b>	<b>254,294,866</b>	<b>242,618,171</b>
<b>EXPENSES</b>					
Cost of rendering of services	4, 23	280,517,055	194,424,627	86,537,934	85,962,036
Selling expenses	23	60,191,482	55,924,907	37,436,737	35,297,702
Administrative expenses	23	103,762,593	86,850,357	68,908,350	60,886,923
<b>Total expenses</b>		<b>444,471,130</b>	<b>337,199,891</b>	<b>192,883,021</b>	<b>182,146,661</b>
Profit before share of profit from investments in joint venture and associated companies - equity method		70,963,671	66,379,272	61,411,845	60,471,510
Share of profit from investments in joint venture and associated companies - equity method		1,940,934	1,319,557	-	-
<b>Profit before income tax</b>		<b>72,904,605</b>	<b>67,698,829</b>	<b>61,411,845</b>	<b>60,471,510</b>
Income tax	24	(14,854,855)	(12,810,371)	(11,000,191)	(9,858,639)
<b>Net profit for the years</b>		<b>58,049,750</b>	<b>54,888,458</b>	<b>50,411,654</b>	<b>50,612,871</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)	-	(2,324,506)
Income tax effects		-	824,955	-	464,901
		-	(3,299,817)	-	(1,859,605)
<b>Items that may be reclassified subsequently to profit or loss</b>					
Gain (loss) of revaluation of available-for-sale investments	7	12,133,194	9,846,770	12,133,194	9,846,770
Foreign currency translation differences for foreign operations		(143,482)	(180,370)	-	-
Income tax effects		(2,426,639)	(1,969,354)	(2,426,639)	(1,969,354)
		9,563,073	7,697,046	9,706,555	7,877,416
<b>Other comprehensive income (loss) for the year, net of income tax</b>		<b>9,563,073</b>	<b>4,397,229</b>	<b>9,706,555</b>	<b>6,017,811</b>
<b>Total comprehensive income for the years</b>		<b>67,612,823</b>	<b>59,285,687</b>	<b>60,118,209</b>	<b>56,630,682</b>
<b>Profit (loss) attributable to:</b>					
Owners of the Company		58,101,059	54,641,042	50,411,654	50,612,871
Non-controlling interests		(51,309)	247,416	-	-
<b>Net profit for the years</b>		<b>58,049,750</b>	<b>54,888,458</b>	<b>50,411,654</b>	<b>50,612,871</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		67,664,132	59,038,271	60,118,209	56,630,682
Non-controlling interests		(51,309)	247,416	-	-
<b>Total comprehensive income for the years</b>		<b>67,612,823</b>	<b>59,285,687</b>	<b>60,118,209</b>	<b>56,630,682</b>
<b>Earnings per share</b>					
Basic earnings per share	25	0.96	0.98	0.83	0.90

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 2017

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	Share premium	Surplus on sale of treasury shares	Legal reserve	Unappropriated	Reserve for Treasury Shares	Fair value changes in available-for-sale investments	Currency translation differences	Total other components of equity	attributable to owners of the Company			
											Company	Non-Controlling Interests		
<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	20	-	-	-	-	(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		-	-	2,108,680	-	10,340,760	(10,340,760)	10,340,760	-	-	-	12,449,440	-	12,449,440
Cancellation of treasury shares		(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>
<b>Balance at 1 January 2017</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>
Stock dividend	20	5,495,462	-	-	-	-	-	-	-	-	-	5,495,462	-	5,495,462
Dividend paid		-	-	-	-	(10,990,960)	-	-	-	-	-	(10,990,960)	(700)	(10,991,660)
<b>Total contributions by and distributions to owners</b>		<b>5,495,462</b>	-	-	-	<b>(10,990,960)</b>	-	-	-	-	-	<b>(5,495,498)</b>	<b>(700)</b>	<b>(5,496,198)</b>
Change in ownership interests in subsidiaries														
without a change in control	10	-	-	-	-	(185,444)	-	-	-	-	-	(185,444)	732,377	546,933
<b>Total transactions with owners, recorded directly in equity</b>		<b>5,495,462</b>	-	-	-	<b>(11,176,404)</b>	-	-	-	-	-	<b>(5,680,942)</b>	<b>731,677</b>	<b>(4,949,265)</b>
Profit (loss) for the year		-	-	-	-	58,101,059	-	-	-	-	-	58,101,059	(51,309)	58,049,750
Other comprehensive income (loss)		-	-	-	-	-	-	-	9,706,555	(143,482)	9,563,073	9,563,073	-	9,563,073
<b>Balance at 31 December 2017</b>		<b>60,450,262</b>	<b>193,568,560</b>	-	<b>10,000,000</b>	<b>659,439,635</b>	-	-	<b>(12,058,449)</b>	<b>(381,651)</b>	<b>(12,440,100)</b>	<b>911,018,357</b>	<b>2,226,562</b>	<b>913,244,919</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 2017

Unit : Baht

	Notes	Issued and paid - up share capital	Share premium	Surplus on sale of treasury shares	Retained earnings			Other components of equity	Total Shareholders' equity	
					Legal reserve	Unappropriated	Reserve for Treasury Shares	Treasury Shares		Fair value changes in available-for-sale investments
<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	20	-	-	-	-	(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>
<b>Balance at 1 January 2017</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>
Stock dividend	20	5,495,462	-	-	-	-	-	-	-	5,495,462
Dividend paid	20	-	-	-	-	(10,990,960)	-	-	-	(10,990,960)
Total comprehensive income for the year										
Profit for the year		-	-	-	-	50,411,654	-	-	-	50,411,654
Other comprehensive income		-	-	-	-	-	-	-	9,706,555	9,706,555
<b>Balance at 31 December 2017</b>		<b>60,450,262</b>	<b>193,568,560</b>	-	<b>10,000,000</b>	<b>613,198,453</b>	-	-	<b>(12,058,449)</b>	<b>865,158,826</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 2017

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Cash flows from operating activities</b>					
Profit for the period		58,049,750	54,888,458	50,411,654	50,612,871
<i>Adjustment for</i>					
Depreciation	13	7,924,972	6,587,552	7,715,617	6,318,782
Amortisation of intangible assets		9,999	9,999	9,999	9,999
Impairment loss on other investment		3,142,837	-	3,142,837	-
Reversal of allowance for doubtful debts		-	(2,083,109)	-	(2,125,437)
(Gain) loss on sales of current and long-term investments		(2,391,629)	(4,457,894)	(2,666,804)	(4,871,527)
(Gain) loss on adjustment of fair value of current investments		(5,041,104)	(5,710,674)	(4,189,396)	(4,968,426)
(Gain) loss on sale of property, plant and equipment		(224,870)	(345,412)	(336,444)	44,640
Provisions for employee benefits	17	2,214,680	2,349,898	801,889	764,892
Revenue from deferred lease right	16	(1,084,483)	(1,084,483)	(1,084,483)	(1,084,483)
Dividend income		(1,822,745)	(2,909,747)	(4,410,045)	(9,908,697)
Interest income		(4,836,726)	(4,557,340)	(3,774,293)	(4,376,405)
Share of (profit) loss from associated companies and joint venture - equity method		(862,934)	(1,319,557)	-	-
Unrealized (gain) loss from exchange rates		43,555	(64,150)	-	-
Income tax expense		14,854,855	12,810,371	11,000,190	9,858,639
		69,976,157	54,113,912	56,620,721	40,274,848
<i>Changes in operating assets and liabilities</i>					
Current investments sold		142,061,573	127,219,869	112,051,581	127,219,869
Addition to current investments		(80,000,000)	(187,108,738)	(60,000,000)	(140,108,738)
Trade accounts and other receivables		(105,904,099)	67,774,555	(98,208,232)	67,293,539
Other current assets		(16,951,907)	6,437,997	(2,863,308)	1,266,336
Other non-current assets		441,549	(5,221,464)	-	-
Trade accounts and other payable		12,606,925	34,435,928	10,082,786	601,243
Other current liabilities		7,343,530	(1,780,494)	4,002,955	(5,348,034)
Employee benefit obligations paid	17	(836,000)	(2,561,600)	(836,000)	-
Cash provided by (used in) operating activities		28,737,728	93,309,965	20,850,503	91,199,063
Income tax paid		(3,001,953)	(45,198,878)	(8,748,443)	(38,855,720)
<b>Net Cash provided by (used in) operating activities</b>		<b>25,735,775</b>	<b>48,111,087</b>	<b>12,102,060</b>	<b>52,343,343</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 2017

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Cash flows from investing activities</b>					
Loans to employees	11	(200,000)	-	-	-
Short-term loans to related parties		(10,000,000)	-	-	-
Cash received from loans to employees	11	280,000	560,000	180,000	395,000
Addition to long - term investments		(36,428,427)	(51,429,739)	(36,428,427)	(51,429,739)
Cash received from redemption of long-term investments		28,000,000	20,000,000	28,000,000	20,000,000
Cash received from sale of long-term investments		33,355,320	40,180,647	33,355,320	40,180,647
Purchases of property, plant and equipment	13	(10,034,644)	(11,136,798)	(9,734,097)	(10,900,248)
Cash received from sale of property, plant and equipment		336,649	390,075	336,449	-
Dividend received		1,822,745	2,909,748	4,410,045	9,908,697
Interest received		4,354,198	5,291,032	3,879,743	5,110,096
<b>Net cash provided by (used in) investing activities</b>		<b>11,485,841</b>	<b>6,764,965</b>	<b>23,999,033</b>	<b>13,264,453</b>
<b>Cash flows from financing activities</b>					
Dividend paid	20	(5,495,498)	(54,784,800)	(5,495,498)	(54,784,800)
Proceed from sale of treasury shares		-	12,449,440	-	12,449,440
Dividends paid to non-controlling interests		(700)	(1,050)	-	-
<b>Net cash provided by (used in) financing activities</b>		<b>(5,496,198)</b>	<b>(42,336,410)</b>	<b>(5,495,498)</b>	<b>(42,335,360)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>31,725,418</b>	<b>12,539,642</b>	<b>30,605,595</b>	<b>23,272,436</b>
Cash and cash equivalents at 1 January		97,478,142	85,102,746	56,345,930	33,073,494
Effect of changes in exchange rate of foreign currency balance		(118,508)	(164,246)	-	-
<b>Cash and cash equivalents at 31 December</b>		<b>129,085,052</b>	<b>97,478,142</b>	<b>86,951,525</b>	<b>56,345,930</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 2017****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 2017 and 2016 are disclosed in note 10.

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

2.1 The financial statements have been prepared in accordance with the Thai Financial Reporting Standards, which are issued under the Accounting Professions Act B.E.2547, and according to the related requirements of the Securities and Exchange Commission.

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 The 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 2017. 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 Federation of Accounting Professions has promulgated the Thai Financial Reporting Standards, that are effective for accounting periods beginning on or after 1 January 2018, which the Company and its subsidiaries have not adopted the above standards before the effective date. The management of the Company and its subsidiaries assess that there will be no material impacts on the Financial statements in the period that the above standards are 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 2017****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 the date on which control commences until the date on which control ceases.

The Group treats transactions with non-controlling interests similar to 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.

Change in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

*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 2017***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 2017**

## 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.

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

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

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 2017**

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 2017**

## 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 2017**

## 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 2017**

## 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.

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.

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2017**

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 2017**

**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 parties</b>	<b>Nationality</b>	<b>Relationship</b>
62 Content & Design 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
Ms. Chantup Desabaedya	Thai	Directors of subsidiary

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	At cost
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
Interest income	MOR rate of the Bank



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

**Notes to the financial statements**

**For the year ended 31 December 2017**

The related party transactions for each of the year ended 31 December 2017 and 2016 are detailed as follows:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2017	2016	2017	2016
<b>Subsidiary companies</b>				
Service income	-	-	-	25
Management income	-	-	32,554	31,535
Rental income	-	-	3,107	3,107
Dividend income	-	-	1,999	6,999
Other income	-	-	1,189	1,409
Cost of services	-	-	15,182	22,494
<b>Associated companies</b>				
Dividend income	-	-	588	490
<b>Joint Venture</b>				
Service income	4,876	5,936	-	6
Agency commission	385	489	385	489
Management income	1,800	1,800	1,800	1,800
Rental income	360	285	360	285
Other income	87	82	87	82
Interest income	833	-	-	-
Cost of services	716	-	-	-
<b>Other related parties/persons</b>				
Service income	3,859	1,328	1,915	712
Agency commission	2,323	1,559	2,323	1,559
Management income	95	120	95	120
Rental income	625	300	625	300
Sale of investment (Note 10)	165	-	165	-
Other income	2,539	2,592	112	63
Cost of services	14,389	4,411	6,085	1,243
<b>Key management remuneration</b>				
Short - term benefits	26,418	21,429	16,078	15,011
Post-employment benefits	339	475	196	187

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

Balances as at 31 December 2017 and 2016 with related parties are detailed as follows:

**4.1 Trade accounts receivable-related parties**

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2017	2016	2017	2016
<b>Subsidiary companies</b>				
Prakit Advertising Co., Ltd.	-	-	27,156	22,489
Marketing Drive Worldwide (Thailand) Ltd.	-	-	333	101
<b>Joint Venture</b>				
Bangkok Writer and Partners Co.,Ltd.	8,128	7,682	770	696
<b>Other related parties</b>				
Double P Marketing Communications Ltd.	625	183	571	183
62 Content & Design Ltd.	1,878	-	-	-
DRAFT Advertising (Cambodia) Ltd.	1	3	1	3
<b>Total</b>	<b>10,632</b>	<b>7,868</b>	<b>28,831</b>	<b>23,472</b>
Less Allowance for doubtful debts	-	-	-	-
<b>Net</b>	<b>10,632</b>	<b>7,868</b>	<b>28,831</b>	<b>23,472</b>

As at 31 December 2017 and 2016, aging analysis of trade accounts receivable from related companies are detailed as follows:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2017	2016	2017	2016
Within credit terms	2,414	1,417	10,077	9,320
Overdue:				
Less than 3 months	1,554	1,397	9,328	8,404
3 - 6 months	1,763	1,460	9,281	5,578
6 - 12 months	3,617	2,738	145	170
Over 12 months	1,284	856	-	-
<b>Total</b>	<b>10,632</b>	<b>7,868</b>	<b>28,831</b>	<b>23,472</b>
Less Allowance for doubtful account	-	-	-	-
<b>Net</b>	<b>10,632</b>	<b>7,868</b>	<b>28,831</b>	<b>23,472</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2017

## 4.2 Media receivable-related parties

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<b>Subsidiary companies</b>				
Prakit Advertising Co., Ltd.	-	-	6,856	-
Marketing Drive Worldwide (Thailand) Ltd.	-	-	33,287	10,121
<b>Joint Venture</b>				
Bangkok Writer and Partners Co.,Ltd.	16,498	20,684	16,498	20,684
<b>Other related parties</b>				
DRAFT Advertising (Cambodia) Ltd.	136	97	136	97
Double P Marketing Communication Ltd.	14,757	12,727	14,757	12,727
62 Content & Design Ltd.	8	-	8	-
<b>Total</b>	<b>31,399</b>	<b>33,508</b>	<b>71,542</b>	<b>43,629</b>

As at 31 December 2017 and 2016, aging analysis of media accounts receivable from related companies are detailed as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Within credit terms	10,975	13,485	15,225	16,383
Overdue:				
Less than 3 months	7,326	5,446	25,107	12,669
3 - 6 months	9,294	7,773	22,453	7,773
6 - 12 months	3,804	6,804	8,757	6,804
Over 12 months	-	-	-	-
<b>Total</b>	<b>31,399</b>	<b>33,508</b>	<b>71,542</b>	<b>43,629</b>
Less Allowance for doubtful account	-	-	-	-
<b>Net</b>	<b>31,399</b>	<b>33,508</b>	<b>71,542</b>	<b>43,629</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2017

## 4.3 Advances to related parties

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<b>Subsidiary companies</b>				
Prakit & FCB (Myanmar) Limited	-	-	-	2,486
Prakit Advertising (Myanmar) Co., Ltd.	-	-	2,903	3,763
<b>Other related parties</b>				
DRAFT Advertising (Cambodia) Ltd.	2,314	2,545	-	-
Ms. Chantup Desabaedya	165	-	165	-
<b>Total</b>	<b>2,479</b>	<b>2,545</b>	<b>3,068</b>	<b>6,249</b>
Less Allowance for doubtful debts	-	-	-	(2,486)
<b>Net</b>	<b>2,479</b>	<b>2,545</b>	<b>3,068</b>	<b>3,763</b>

## 4.4 Trade accounts payable-related parties

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<b>Subsidiary companies</b>				
Prakit Advertising Co., Ltd.	-	-	18,674	30,067
Marketing Drive Worldwide (Thailand) Ltd.	-	-	342	843
Prakit Advertising (Myanmar) Co., Ltd.	-	-	10,226	79
<b>Other Related party</b>				
62 Content & Design Ltd.	6,314	2,575	1,313	152
<b>Total</b>	<b>6,314</b>	<b>2,575</b>	<b>30,555</b>	<b>31,141</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2017

4.5 *Short-term loans to related parties*

	Interest Rate	Unit : Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
<b>Joint Venture</b>					
Bangkok Writer and Partners Co.,Ltd.	7.375	10,000	-	-	-
<b>Short-term loans to related parties -</b>					
<b>Net</b>		<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

Movements during years ended 31 December of short-term loans to related parties were as follows:

<i>Short-term loans to related parties</i>	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<b>Joint Venture</b>				
At 1 January	-	-	-	-
Increase	15,000	-	-	-
Decrease	(5,000)	-	-	-
<b>At 31 December</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

4.6 *Billing agent payable - related party*

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
DRAFT Advertising (Cambodia) Ltd.	57,837	46,670	29,441	21,646

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

**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.

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

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

Two related companies have entered into agreements to rent office spaces from the Company for periods of 3 years ending June 2019 and December 2019, respectively, with the monthly rental rates at Baht 50,000 and Baht 5,700, 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 2 year and 7 months ending December 2019, 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 2018, 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 2018 with the monthly service rate at Baht 150,000.

**5. Cash and cash equivalents**

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2017	2016	2017	2016
Cash on hand	9,474	1,115	45	45
Cash at banks – current accounts	2,894	13,824	1,607	947
Cash at banks – savings accounts	116,717	82,539	85,300	55,354
<b>Total</b>	<b>129,085</b>	<b>97,478</b>	<b>86,952</b>	<b>56,346</b>

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

**6. Current investment -investment in Private Fund**

In 2005, the Company invested in a private fund and 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 fund management'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 2017 and 2016, investment in private fund consisted of.

	Unit : Thousand Baht	
	Consolidated and Separate	
	financial statement	
	2017	2016
Unit fund	20,000	20,000
Unrealized gain on fair value adjustment	11,739	10,327
<b>Total</b>	<b>31,739</b>	<b>30,327</b>

As at 31 December 2017 and 2016, 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	
	Consolidated and Separate	
	financial statement	
	2017	2016
Cash on hand and at banks		
Deposits	1,884	1,271
Investments in securities- fair value		
Debt securities		
Bonds	16,268	14,205
Debentures	5,987	6,981
Promissory notes	-	-
Open-End Fund	7,493	6,556
Other assets and other liabilities		
Other assets	118	1,324
Other liabilities	(11)	(10)
<b>Total</b>	<b>31,739</b>	<b>30,327</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2017

## 7. Investments In Securities

As at 31 December 2017 and 2016 investments in securities consisted of :

## Current Investments - others

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<b>Trading securities</b>				
Marketable equity securities	3,929	4,935	3,929	4,935
Gain (loss) on fair value adjustment	1,254	830	1,254	830
<b>Total</b>	<b>5,183</b>	<b>5,765</b>	<b>5,183</b>	<b>5,765</b>
<b>Unit fund</b>				
Unit fund	316,249	373,706	255,769	303,543
Gain (loss) on fair value adjustment	2,554	2,769	1,977	2,441
<b>Total</b>	<b>318,803</b>	<b>376,475</b>	<b>257,746</b>	<b>305,984</b>
<b>Net</b>	<b>323,986</b>	<b>382,240</b>	<b>262,929</b>	<b>311,749</b>

The movements of current investments for each of the year ended 31 December 2017 and 2016 are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Beginning balance of the period	382,240	318,752	311,749	295,590
Acquisition	80,000	187,109	60,000	140,109
Disposal	(142,062)	(127,220)	(112,051)	(127,220)
<b>Total</b>	<b>320,178</b>	<b>378,641</b>	<b>259,698</b>	<b>308,479</b>
Gain from fair value adjustment	3,808	3,599	3,231	3,270
<b>Net</b>	<b>323,986</b>	<b>382,240</b>	<b>262,929</b>	<b>311,749</b>



## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2017

## Other long-Term Investments

Unit : Thousand Baht

As at 31 December 2017

## Consolidated/ Separate financial statements

	Security			Total
	available for Sale	Held to Maturity	Other Investments	
Debt Securities-Cost	-	57,001	4,866	61,867
Unrealized gain (loss) on fair value adjustment	-	-	(737)	(737)
	-	57,001	4,129	61,130
Less Current portion of held to maturity debt securities	-	(12,001)	-	(12,001)
<b>Total debt securities</b>	-	<b>45,000</b>	<b>4,129</b>	<b>49,129</b>
Equity Securities-Cost	79,841	-	-	79,841
Unrealized gain (loss) on fair value adjustment	(14,337)	-	-	(14,337)
<b>Total equity securities</b>	<b>65,504</b>	-	-	<b>65,504</b>
<b>Net</b>	<b>65,504</b>	<b>45,000</b>	<b>4,129</b>	<b>114,633</b>

Unit : Thousand Baht

As at 31 December 2016

## Consolidated/ Separate financial statements

	Security			Total
	available for Sale	Held to Maturity	Other Investments	
Debt Securities-Cost	-	73,001	5,000	78,001
Unrealized gain (loss) on fair value adjustment	-	-	26	26
	-	73,001	5,026	78,027
Less Current portion of held to maturity debt securities	-	(16,000)	-	(16,000)
<b>Total debt securities</b>	-	<b>57,001</b>	<b>5,026</b>	<b>62,027</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>52,932</b>
<b>Net</b>	<b>52,932</b>	<b>57,001</b>	<b>5,026</b>	<b>114,959</b>

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

The movements of long-term investments for the year ended 31 December 2017 and 2016 are follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2017	2016	2017	2016
Beginning balance of the years	130,959	138,419	130,959	138,419
Acquisition	36,428	47,178	36,428	47,178
Redemption	(28,000)	(20,000)	(28,000)	(20,000)
Disposal	(21,743)	(44,511)	(21,743)	(44,511)
<b>Total</b>	<b>117,644</b>	<b>121,086</b>	<b>117,644</b>	<b>121,086</b>
Loss from reclassification of equity security	(3,143)	-	(3,143)	-
Unrealized gain (loss) on fair value adjustment	12,133	9,873	12,133	9,873
Net investments	124,634	130,959	126,634	130,959
<i>Less</i> Current portion of held to maturity debt securities	(12,001)	(16,000)	(12,001)	(16,000)
<b>Net</b>	<b>114,633</b>	<b>114,959</b>	<b>114,633</b>	<b>114,959</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.

For marketable equity securities reclassification from available - for-sale investment to general investment, gain or loss from fair value adjustment of the investments, reclassification if recongnized in profit or loss.

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

As at 31 December 2017

Unit: Thousand Baht

<b>Maturity periods</b>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Cost Value	Fair Value	Cost Value	Fair Value
Not over 1 year	12,001	12,001	12,001	12,001
Over 1 year but not over 5 years	32,000	32,000	32,000	32,000
Over 5 years but not over 10 years	13,000	13,000	13,000	13,000
<b>Total</b>	<b>57,001</b>	<b>57,001</b>	<b>57,001</b>	<b>57,001</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2017

As at 31 December 2016

	Consolidated		Separate	
	financial statements		financial statements	
	Cost Value	Fair Value	Cost Value	Fair Value
<b>Maturity periods</b>				
Not over 1 year	16,000	16,000	16,000	16,000
Over 1 year but not over 5 years	32,001	32,001	32,001	32,001
Over 5 years but not over 10 years	25,000	25,000	25,000	25,000
<b>Total</b>	<b>73,001</b>	<b>73,001</b>	<b>73,001</b>	<b>73,001</b>

Unit: Thousand Baht

As at 31 December 2017 and 2016, the Company had Lottery Savings amounting to Baht 2 million carrying interest at rates of 0.93% per annum, which matured within 20 July 2018. As at 31 December 2016, the Company's Lottery Savings were used as collateral for performance guarantee.

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

As 31 December 2017 and 2016, trade accounts receivable and other receivables are detailed as follows :

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<b>Trade accounts receivable</b>				
Trade accounts and notes receivable				
Related parties	10,632	7,868	28,831	23,472
Other parties – net	46,141	17,413	15,595	6,814
Media and notes receivable				
Related parties	31,399	33,508	71,542	43,629
Other parties – net	198,805	98,027	107,116	51,349
<b>Other receivables</b>				
Billing agent receivables	16,761	29,043	8,707	15,237
Advances to related parties - net	2,314	2,545	2,903	3,763
Advances payments for media	30,425	29,269	24,733	14,106
Accrued income	8,385	12,714	5,849	5,665
Advances payments - others	127	60	57	45
Others	5,089	22,285	686	13,225
<b>Net</b>	<b>350,078</b>	<b>252,732</b>	<b>266,019</b>	<b>177,305</b>

Unit : Thousand Baht

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

As at 31 December 2017 and 2016, 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>	
	2017	2016	2017	2016
Within credit terms	23,492	7,648	10,548	1,711
Overdue:				
Less than 3 months	20,540	6,983	4,089	3,325
3-6 months	1,211	2,518	826	1,524
6-12 months	790	143	24	133
Over 12 months	4,462	3,844	2,150	2,163
<b>Total</b>	<b>50,495</b>	<b>21,136</b>	<b>17,637</b>	<b>8,856</b>
Less allowance for doubtful accounts	(4,354)	(3,723)	(2,042)	(2,042)
<b>Net</b>	<b>46,141</b>	<b>17,413</b>	<b>15,595</b>	<b>6,814</b>

As at 31 December 2017 and 2016, 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>	
	2017	2016	2017	2016
Within credit terms	95,170	52,512	46,604	17,482
Overdue:				
Less than 3 months	91,174	30,320	52,863	20,011
3-6 months	6,680	4,156	1,884	2,817
6-12 months	1,161	6,016	1,154	6,015
Over 12 months	15,483	15,886	8,258	8,671
<b>Total</b>	<b>209,668</b>	<b>108,890</b>	<b>110,763</b>	<b>54,996</b>
Less allowance for doubtful accounts	(10,863)	(10,863)	(3,647)	(3,647)
<b>Net</b>	<b>198,805</b>	<b>98,027</b>	<b>107,116</b>	<b>51,349</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2017

## 9. Bank Deposit held as collateral

Unit : Thousand Baht

	Consolidated/ Separate financial statements			
	2017		2016	
	Amount	Interest Rate	Amount	Interest Rate
Time deposit - bank overdraft	30,000	1.85%	30,000	1.70%
<b>Total</b>	<b>30,000</b>		<b>30,000</b>	

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

As at 31 December 2017

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	952	588
Sukhumvit 62 Medical Ltd.	Hospital	428,625,000	35.41	150,375	93,607	-
<b>Joint Venture (Held by a subsidiary)</b>						
Bangkok Writer and Partners Co., Ltd.	Advertising	10,000,000	42.00	16,800	22,733	-
					<b>117,292</b>	<b>588</b>

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 Limited	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>

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

		Unit : Thousand Baht	
<b>Investments in subsidiaries</b>		<b>Separate financial statement</b>	
	<i>Note</i>	2017	2016
At 1 January		13,249	15,260
Disposals		(165)	-
Additional called-up		575	-
<b>Total</b>		<b>13,659</b>	<b>15,260</b>
Less Allowance for impairment of investment in subsidiary		-	(2,011)
<b>Total investments in subsidiaries</b>		<b>13,659</b>	<b>13,249</b>

*Disposals*

On 28 August 2017, the Company sold its controlling interest in Prakit Advertising Co., Ltd. (registered in Myanmar) 10 ordinary shares, a par value of USD 500 per share, and called up 50% of share capital, for Baht 0.16 million. Accordingly, its ownership interest was reduced from 90% to 70%. The Group recognized an increase and change in non-controlling interests to Baht 0.73 million and a decrease in retained earning of Baht 0.18 million.

On 28 April 2017, Prakit Advertising Co., Ltd.(Myanmar) additionally called-up 50% of 50 shares, totaling Baht 0.57 million, with a par value of USD 500 per share.

As at 31 December 2017 and 2016

Unit : Thousand Baht

<b>Separate financial statements</b>								
Company	Type of business	Paid-up share capital (in Baht/ US\$)	Investment Ownership		Valuation of investments by cost method		Dividend	
			2017	2016	2017	2016	2017	2016
<b>Subsidiary Companies</b>								
Prakit Advertising Co., Ltd	Advertising	10,000,000	99.99	99.99	9,999	9,999	-	4,999
Prakit&FCB (Myanmar) Limited*	Advertising	88,084 US\$	-	90.00	-	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	50,000 US\$	70.00	-	1,154	-	-	-
		25,000 US\$	-	90.00	-	744	-	-
<b>Associated Companies</b>					13,659	15,260		
Direct Response (Thailand) Limited	Advertising	2,000,000	49.00	49.00	1,421	1,421	588	490
Sukhumvit 62 Medical Limited	Hospital	428,625,000	35.41	35.41	150,375	150,375	-	-
<b>Total</b>					<b>165,455</b>	<b>167,056</b>	<b>2,587</b>	<b>7,488</b>
Less Allowance for impairment loss					-	(2,011)	-	-
<b>Total investments</b>					<b>165,455</b>	<b>165,045</b>	<b>2,587</b>	<b>7,488</b>

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

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

The financial statements of associates and joint ventures as at 31 December 2017 and 2016 were 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.	
	2017	2016	2017	2016	2017	2016
Total assets	1,976	3,485	93,855	78,534	431,388	430,515
Total liabilities	5	25	69,729	58,566	2,959	3,034
Total income	9	23	193,100	149,879	1,495	873
Profit (loss) for the years	(288)	(135)	4,158	3,575	948	(327)
Share of profit (loss) on equity method	(141)	(66)	1,746	1,501	336	(116)
Group share of net asset	966	1,695	10,133	8,387	151,707	151,371

**11. Loans to employees**

As at 31 December 2017 and 2016, the movements of loans to employees are related as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Beginning balance	255	815	205	600
Add increase during the years	200	-	-	-
<b>Total</b>	<b>455</b>	<b>815</b>	<b>205</b>	<b>600</b>
Less decrease during the years	(280)	(560)	(180)	(395)
Ending balance	175	255	25	205
Less current portion of due within 1 year	(85)	(230)	(25)	(180)
<b>Net</b>	<b>90</b>	<b>25</b>	<b>-</b>	<b>25</b>

According to the Company's policy, the interest free loans are provided to its employees as staff welfare. Current portion of loans to employees was included in other current assets.

**12. Investment property**

As at 31 December 2017, the investment property represents investment in land for lease at the cost value of Baht 46.22 million (2016 : Baht 46.22 million), while the approximate fair value is Baht 125.32 million (2016 : Baht 125.32 million).

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2017

## 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 2016</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>
Purchase	-	-	-	-	6,141	2,594	1,300	-	10,035
Disposal	-	-	-	(252)	(8)	(867)	(5,500)	-	(6,627)
<b>As at 31 December 2017</b>	<b>54,811</b>	<b>95,032</b>	<b>2,699</b>	<b>55</b>	<b>22,351</b>	<b>18,807</b>	<b>16,145</b>	<b>-</b>	<b>209,900</b>
<b>Accumulated depreciation</b>									
<b>As at 1 January 2016</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>
Depreciation for the year	-	4,086	90	11	1,605	1,228	905	-	7,925
Disposal	-	-	-	(140)	(3)	(847)	(5,499)	-	(6,489)
<b>As at 31 December 2017</b>	<b>-</b>	<b>70,946</b>	<b>1,900</b>	<b>31</b>	<b>12,268</b>	<b>13,713</b>	<b>11,723</b>	<b>-</b>	<b>110,581</b>
<b>Net book Value</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>
<b>As at 31 December 2017</b>	<b>54,811</b>	<b>24,086</b>	<b>799</b>	<b>24</b>	<b>10,083</b>	<b>5,094</b>	<b>4,422</b>	<b>-</b>	<b>99,319</b>



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

**Notes to the financial statements**

**For the year ended 31 December 2017**

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 2016</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>-</b>	<b>200,940</b>
Purchase	-	-	-	6,127	2,307	1,300	5,841	15,575
Disposal	-	-	-	-	(476)	(5,500)	(5,841)	(11,817)
<b>As at 31 December 2017</b>	<b>54,811</b>	<b>95,032</b>	<b>2,699</b>	<b>22,048</b>	<b>15,691</b>	<b>14,417</b>	<b>-</b>	<b>204,698</b>
<b>Accumulated depreciation</b>								
<b>As at 1 January 2016</b>	<b>-</b>	<b>62,818</b>	<b>1,721</b>	<b>10,441</b>	<b>10,402</b>	<b>13,603</b>	<b>-</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>-</b>	<b>66,860</b>	<b>1,810</b>	<b>10,472</b>	<b>10,474</b>	<b>14,589</b>	<b>-</b>	<b>104,205</b>
Depreciation for the year	-	4,086	90	1,572	1,064	905	-	7,717
Disposal	-	-	-	-	(477)	(5,500)	-	(5,977)
<b>As at 31 December 2017</b>	<b>-</b>	<b>70,946</b>	<b>1,900</b>	<b>12,044</b>	<b>11,061</b>	<b>9,994</b>	<b>-</b>	<b>105,945</b>
<b>Net book Value</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>-</b>	<b>96,735</b>
<b>As at 31 December 2017</b>	<b>54,811</b>	<b>24,086</b>	<b>799</b>	<b>10,004</b>	<b>4,630</b>	<b>4,423</b>	<b>-</b>	<b>98,753</b>

Certain portions of land and building at the value of Baht 78.73 million have been 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 2017 and 2016 are as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Deferred tax assets	9,256	11,181	5,466	7,673
Deferred tax liabilities	(2,386)	(1,779)	(2,250)	(1,685)
<b>Net</b>	<b>6,870</b>	<b>9,402</b>	<b>3,216</b>	<b>5,988</b>

Movements in deferred tax assets and liabilities during for the years ended 31 December 2017 and 2016 are detailed as follows:

Unit : Thousand Baht

	Consolidated financial statements			
	(Charged) / Credited to:			
	1 January	Profit or	Other	Recognized
	2017	loss	comprehen-	direct to
			sive income	Equity
				31
				December
				2017
<b><i>Deferred tax assets</i></b>				
Trade accounts receivable	1,035	-	-	-
Investments in subsidiaries	402	(402)	-	-
Investment in others	-	628	-	-
Investment in marketable securities	5,441	-	(2,426)	-
Provisions	4,303	275	-	-
<b>Total</b>	<b>11,181</b>	<b>501</b>	<b>(2,426)</b>	<b>-</b>
<b><i>Deferred tax liabilities</i></b>				
Investments in marketable securities	1,779	607	-	-
<b>Total</b>	<b>1,779</b>	<b>607</b>	<b>-</b>	<b>-</b>
<b>Net</b>	<b>9,402</b>	<b>(106)</b>	<b>(2,426)</b>	<b>-</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2017

Unit : Thousand Baht

	Consolidated 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>					
Trade accounts receivable	1,035	-	-	-	1,035
Other receivables	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>					
Investments 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>

Unit : Thousand Baht

	Separate financial statements				
	(Charged) / Credited to:				
	1 January 2017	Profit or loss	Other comprehend sive income	Recognized direct to Equity	31 December 2017
<b><i>Deferred tax assets</i></b>					
Investments in subsidiaries	402	(402)	-	-	-
Investments in other	-	628	-	-	628
Investments in marketable securities	5,440	-	(2,426)	-	3,014
Provisions	1,831	(7)	-	-	1,824
<b>Total</b>	<b>7,673</b>	<b>219</b>	<b>(2,426)</b>	<b>-</b>	<b>5,466</b>
<b><i>Deferred tax liabilities</i></b>					
Investments in marketable securities	1,685	565	-	-	2,250
<b>Total</b>	<b>1,685</b>	<b>565</b>	<b>-</b>	<b>-</b>	<b>2,250</b>
<b>Net</b>	<b>5,988</b>	<b>(346)</b>	<b>(2,426)</b>	<b>-</b>	<b>3,216</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2017

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 receivables	425	(425)	-	-	-
Investments in subsidiaries	402	-	-	-	402
Investments 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>					
Investments 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>

## 15. Trade accounts and other payables

As at 31 December 2017 and 2016, trade accounts payable and other payables are consisted of :

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
<b>Trade accounts payable</b>				
Trade accounts payable and notes payable				
Related parties	6,314	2,575	30,555	31,141
Other companies	48,257	28,688	8,475	5,480
Media and notes payable				
Related parties	-	-	-	-
Other companies	152,388	146,914	113,559	100,961
<b>Total</b>	<b>206,959</b>	<b>178,177</b>	<b>152,589</b>	<b>137,582</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

## For the year ended 31 December 2017

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<b>Other payables</b>				
Billing agent payable – related parties	57,837	46,670	29,441	21,646
Billing agent payable - other	-	1,839	-	1,839
Advance from related parties	-	-	575	-
Deposits received	26,309	51,939	21,117	31,880
Accrued expenses	13,292	10,649	3,821	3,928
Others	10,656	13,172	10,501	10,511
<b>Total</b>	<b>108,094</b>	<b>124,269</b>	<b>65,455</b>	<b>69,804</b>
<b>Total trade accounts payable and other payables</b>	<b>315,053</b>	<b>302,446</b>	<b>218,044</b>	<b>207,386</b>

**16. Deferred lease right**

As at 31 December 2017 and 2016, movements of deferred lease right are as follows:

	Unit : Thousand Baht	
	Consolidated and Separate	
	financial statements	
	2017	2016
Deferred lease right	14,481	15,566
Earned during the year	(1,084)	(1,084)
<b>Net</b>	<b>13,397</b>	<b>14,482</b>

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

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

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

**17. Employee benefit obligations**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Defined benefit obligations at 1 January	21,511	17,598	9,151	6,061
Actuarial gains recognized in other comprehensive income	-	4,125	-	2,325
Current service cost recognized in profit or loss	1,590	1,724	524	510
Interest on obligation recognized in profit or loss	624	626	277	255
Benefits paid by the plan	(836)	(2,562)	(836)	-
<b>Defined benefit obligations at 31 December</b>	<b>22,889</b>	<b>21,511</b>	<b>9,116</b>	<b>9,151</b>

Actuarial assumption at the reporting date is detailed as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
				(%)
Discount rate	2.87	2.87	2.87	2.87
Turn over rate	0-34	0-34	0-34	0-34
Future salary increases	4.39	4.39	4.39	4.39
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 (The effect of change of Thailand Mortality Ordinary Life table in 2017 is not material)

**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	
	Increase	Decrease	Increase	Decrease
<i>Defined benefit obligation 31 December 2017</i>				
Discount Rate (0.50% movement)	22,281	23,851	8,842	9,594
Salary Increase Rate (0.50% movement)	24,063	22,077	9,678	8,761
Turnover Rate (0.50% movement)	21,955	24,199	8,705	9,740

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

**18. Share Capital**

		Unit : Thousand shares/ Baht Thousand			
Par value (Baht)		2017		2016	
		No. of share	Baht	No. of share	Baht
<b><i>Shre registered</i></b>					
	As at 1 January	94,439	94,439	99,484	99,484
	Decrease share	1	-	(5,045)	(5,045)
	<b>As at 31 December</b>	<b>94,439</b>	<b>94,439</b>	<b>94,439</b>	<b>94,439</b>
<b><i>Paid up share</i></b>					
	As at 1 January	54,955	54,955	60,000	60,000
	Decrease share	1	-	(5,045)	(5,045)
	Increase share (Dividend share)	5,495	5,495	-	-
	<b>As at 31 December</b>	<b>60,450</b>	<b>60,450</b>	<b>54,955</b>	<b>54,955</b>

**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 countries.

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2017***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. Dividend****The Company**

The Company's shareholder at their Annual General Shareholders Meeting No.31 hold on 21 April 2017 had passed a resolution to pay dividend and stock dividend totalling Baht 10.99 million by issuing 5.495 million ordinary shares of per Baht 1 per share to the existing shareholders at the ratio of 10 existing shares to 1 new ordinary share, totaling Baht 5.495 million, and paying in cash at Baht 0.10 per share, totalling Baht 5.495 million. Dividend payment was made to shareholders on 19 May 2017.

The Company's shareholder at the Annual General Shareholders Meeting No.30 hold 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 and paid to shareholders on 23 May 2016.

The Company has not paid dividend to certain foreign shareholders that do not invest their shares in compliance with the rulings of the Stock Exchange of Thailand.

**Subsidiary**

A subsidiary's shareholders at their Annual General Shareholders Meeting No.1/2017 hold on 28 April 2017 had passed a resolution to pay dividend at the rate of Baht 100 per share amounting to Baht 2 million.

Two subsidiaries' shareholders at their Annual General Shareholders Meeting No.1/2016 hold on 28 April 2016 had passed their resolutions to pay dividend at the rates of Bath 50 per share and Baht 100 per share, respectively, amounting to Baht 5 million and Baht 2 million, respectively.



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

**Notes to the financial statements**

**For the year ended 31 December 2017**

**21. 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.

- 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 years ended 31 December 2017 and 2016 are as follows:

							Unit : Million Baht	
	Service income		Agency income		Investment income		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Revenues	324	229	157	138	14	18	495	385
Profit for reportable segments	43	35	97	82	14	18	154	135
Unallocated other income							24	20
Unallocated expenses							(105)	(87)
<b>Profit before income tax</b>							<b>73</b>	<b>68</b>

							Unit : Million Baht	
	Service income		Agency income		Investment income		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Total assets for reportable segments	54	33	250	153	630	690	934	876
Other unallocated amounts	-	-	-	-	-	-	367	340
<b>Consolidated total assets</b>	<b>54</b>	<b>33</b>	<b>250</b>	<b>153</b>	<b>630</b>	<b>690</b>	<b>1,301</b>	<b>1,216</b>

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

Information relating to geographical segments in the consolidated financial statements for the years ended 31 December 2017 and 2016 are as follows:

	Unit : Million Baht					
	Domestic		Overseas		Total	
	2017	2016	2017	2016	2017	2016
Agency , services and investment income	483	370	12	15	495	385
Profit for reportable segment	154	132	-	3	154	135
Total assets for reportable segment	1,270	1,183	31	33	1,301	1,216

**22. Provident fund**

The Company and its 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 the 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 years ended 31 December 2017 and 2016, the Company and its subsidiaries contributed to the fund in the amounts of Baht 5.22 million and Baht 4.99 million, respectively.

**23. Expenses by nature**

Significant expenses classified by nature are consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
Employee expenses	150,122	137,475	61,743	61,258
Cost of service	280,517	194,425	86,538	85,962
Depreciation expenses	7,925	6,588	7,716	6,319

**24. Income tax**

Income tax for the years ended 31 December 2017 and 2016 are as follows:

	Unit: Thousand Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
Current income tax	14,750	11,366	10,655	8,675
Deferred income tax	105	1,444	345	1,184
<b>Income tax reported in the statements of comprehensive income</b>	<b>14,855</b>	<b>12,810</b>	<b>11,000</b>	<b>9,859</b>

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2017

Income tax recognized in other comprehensive income:

Unit: Thousand Baht

	Consolidated financial statements					
	2017			2016		
	Tax (expense)			Tax (expense)		
	Before tax	benefit	Net of tax	Before tax	benefit	Net of tax
Available-for-sale financial assets	12,133	(2,426)	9,707	9,846	(1,969)	7,877
Provisions	-	-	-	(4,125)	825	(3,300)
<b>Total</b>	<b>12,133</b>	<b>(2,426)</b>	<b>9,707</b>	<b>5,721</b>	<b>(1,144)</b>	<b>4,577</b>

Unit: Thousand Baht

	Separate financial statements					
	2017			2016		
	Tax (expense)			Tax (expense)		
	Before tax	benefit	Net of tax	Before tax	benefit	Net of tax
Available-for-sale financial assets	12,133	(2,426)	9,707	9,846	(1,969)	7,877
Provisions	-	-	-	(2,325)	465	(1,860)
<b>Total</b>	<b>12,133</b>	<b>(2,426)</b>	<b>9,707</b>	<b>7,521</b>	<b>(1,504)</b>	<b>6,017</b>

Reconciliation between the average effective tax rate and the applicable tax rate for the years ended 31 December 2017 and 2016, are as follows:

Unit : Thousand Baht

	Consolidated financial statements			
	2017		2016	
	Rate (%)	Amount	Rate (%)	Amount
Profit before income tax expense		72,905		67,699
Income tax using the Thai corporation tax rate	20	14,581	20	13,540
Effect From elimination with subsidiaries		544		1,052
Exemption of income/Additional expenses deduction allowed		(2,698)		(4,254)
Expenses net deductible for tax purposes and others		2,324		1,028
Current income tax		14,751		11,366
Movements in temporary differences		104		1,444
<b>Income tax expenses</b>	<b>20</b>	<b>14,855</b>	<b>19</b>	<b>12,810</b>

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

Unit : Thousand Baht

	<b>Separate financial statements</b>			
	2017		2016	
	<i>Rate (%)</i>	<i>Amount</i>	<i>Rate (%)</i>	<i>Amount</i>
Profit before income tax expense		61,412		60,472
Income tax using the Thai corporation tax rate	20	12,282	20	12,094
Exemption of income/Additional expenses deduction allowed		(2,594)		(3,678)
Expenses net deductible for tax purposes and others		967		259
Current income tax		10,655		8,675
Movements in temporary differences		345		1,184
<b>Income tax expenses</b>	<b>18</b>	<b>11,000</b>	<b>16</b>	<b>9,859</b>

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.

**25. Earnings per share**

The calculation of basic earnings per share for each of the year ended 31 December 2017 and 2016 is based on the profit for each year attributable to equity holders of the parent and the number of ordinary shares outstanding during the period by using weighted average number of ordinary shares computing as follows:

	Unit : Thousand Baht/ Thousand Shares			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2017	2016	2017	2016
Profit attributable to ordinary shareholders of the Company	58,101	54,641	50,412	50,613
Number of ordinary shares outstanding	54,955	60,000	54,955	60,000
Less Treasury shares	-	(5,045)	-	(5,045)
Add Sale treasury shares	5,495	961	5,495	961
Weighted average number of paid-up ordinary shares in issue during the years	60,450	55,916	60,450	55,916
<b>Basic earnings per share (Baht)</b>	<b>0.96</b>	<b>0.98</b>	<b>0.83</b>	<b>0.90</b>

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2017****26. 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.

**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.

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

As at 31 December 2017, 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	-	-	-	116,717	12,368	129,085	0.375
Current investments	-	-	-	-	355,725	355,725	-
Debt securities held to maturity							
within one year	12,001	-	-	-	-	12,001	0.93-4.40
Trade and other receivables	-	-	-	-	350,078	350,078	-
Short-term loan to related party	10,000	-	-	-	-	10,000	7.375
Bank deposit held as collateral	30,000	-	-	-	-	30,000	1.85
Other long-term investments	4,129	32,000	13,000	-	65,504	114,633	3.00-4.75
Loans to employees	-	-	-	-	90	90	-
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	315,053	315,053	-

Unit : Thousand Baht

<b>Separate 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	-	-	-	85,300	1,652	86,952	0.375
Current investments	-	-	-	-	294,668	294,668	-
Debt securities held to maturity							
within one year	12,001	-	-	-	-	12,001	0.93-4.40
Trade and other receivables	-	-	-	-	266,019	266,019	-
Bank deposit held as collateral	30,000	-	-	-	-	30,000	1.85
Other long-term investments	4,129	32,000	13,000	-	65,504	114,633	3.00-4.75
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	218,044	218,044	-

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

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	1 – 5					
	year	years	>5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	82,539	14,939	97,478	0.375
Current investments	-	-	-	-	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	-	-	-	-	30,000	1.70
Other long-term investments	-	49,027	13,000	-	52,931	114,958	0.93-6.00
Loans to employees	-	-	-	-	25	25	-
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	302,446	302,446	-

Unit : Thousand Baht

<b>Separate financial statements</b>							
	<u>Fixed Rate</u>			Adjusted to market rate	No interest rates	Total	Interest rates (% per annum)
	Within 1	1 – 5					
	year	years	>5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	55,354	992	56,346	0.375
Current investments	-	-	-	-	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	-	-	-	-	30,000	1.70
Other long-term investments	-	49,027	13,000	-	52,931	114,958	0.93-6.20
Loans to employees	-	-	-	-	25	25	-
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	207,386	207,386	-

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

**Notes to the financial statements**

**For the year ended 31 December 2017**

**Foreign currency risk**

At 31 December 2017 and 2016, the Group were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2017	2016	2017	2016
<b><i>United States Dollars</i></b>				
Cash and deposits at banks	9,418	12,852	-	-
Trade and other receivables	20,460	19,098	-	-
Equipment	233	384	-	-
Other payables	(21,367)	(25,272)	-	-
<b>Gross balance sheet exposure</b>	<b>8,744</b>	<b>7,062</b>	<b>-</b>	<b>-</b>

**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).



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

**Notes to the financial statements**

**For the year ended 31 December 2017**

The financial assets and liabilities that are measured at fair value at 31 December 2017

Unit: Thousand Baht

	<b>Consolidated financial Statements</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<i>Assets</i>				
Short-term investments(Private fund)	-	31,739	-	31,739
Held for trading securities (Unit fund)	-	318,803	-	318,803
Held for trading securities (Marketable equity securities)	5,183	-	-	5,183
Available for sale securities (Marketable equity securities)	65,504	4,129	-	69,633
<b>Total assets</b>	<b>70,687</b>	<b>354,671</b>	<b>-</b>	<b>425,358</b>

Unit: Thousand Baht

	<b>Separate financial Statements</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<i>Assets</i>				
Short-term investments (Private fund)	-	31,739	-	31,739
Held for trading securities (Unit fund)	-	257,746	-	257,746
Held for trading securities (Marketable equity securities)	5,183	-	-	5,183
Available for sale securities (Marketable equity securities)	65,504	4,129	-	69,633
<b>Total assets</b>	<b>70,687</b>	<b>293,614</b>	<b>-</b>	<b>364,301</b>

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>
<i>Assets</i>				
Short-term investments (Private fund)	-	30,327	-	30,327
Held for trading securities (Unit 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 assets</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 2017**

Unit: Thousand Baht

	Separate financial Statements			
	Level 1	Level 2	Level 3	Total
<i>Assets</i>				
Short-term investments (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 assets</b>	<b>58,697</b>	<b>341,337</b>	<b>-</b>	<b>400,034</b>

*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.

**27. Capital management**

The primary objectives of the Group capital management are to maintain their ability to continue on the ongoing basis and to maintain an appropriate structure.

As at 31 December 2017 and 2016, debt-to-equity ratio in the consolidated financial statement was 0.43 : 1 and 0.43 : 1 , respectively, and the separate financial statement was 0.30 : 1 and 0.30 : 1, respectively.

**28. Commitments**

As at 31 December 2017 and 2016, the Company had commitments, 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.

**Prakit Holdings Public Company Limited and its Subsidiaries****Notes to the financial statements****For the year ended 31 December 2017****29. Other information**

As at 31 December 2017 and 2016, net asset per share in the consolidated financial statements are Baht 15.07 per shares and Baht 15.45 per shares, respectively, and for the separate financial statements are Baht 14.31 per shares and Baht 14.75 per shares , respectively.

**30. Approval of financial statement**

These financial statements have been authorized for issue by the Board of Directors on 26 February 2018.