



# healthy growth

## 2015

รายงานประจำปี 2558

## ANNUAL REPORT



บริษัท ประกิต โฮลดิ้งส์ จำกัด (มหาชน)  
Prakit Holdings Public Company Limited.

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## **Board of Directors Report to the Shareholders**

2015 was another tumultuous year for Thailand both economically and politically.

In politics, the nation is still in a stage of ruling reform. The National Reform Council needs some 2 years in keeping the peace and setting the right mechanisms in place for a democratic election. Although we have not had a complete democracy like many other countries, the political situation is still more secure today than during the period of free elections. Investors and business people seem to have more confidence now to set up their marketing plans than in early 2014, when there we saw chaos and protests nearly every day.

In economics, recession occurred globally. In Europe, the economy was not encouraging, as was the situation in some other large and powerful countries like China, India and Japan. This caused Thailand, whose export was a key driver of 70% of GDP, to suffer from declined exports for the second year in a row. Many other emerging countries also faced the same problem. Our country is considered lucky to have a robust tourism sector. This sector grew significantly in the past year. As many as 30 million tourists visited Thailand, generating a huge revenue for our nation, boosting our GDP growth to 2.8%, which is somehow a satisfactory level when other economic factors are taken into account.

As for the advertising industry in the past year, like the economy, it did not pick up much. The advertising expenditure for the whole year of 2015 hardly grew. However, our subsidiary companies were able to weather the storm quite effectively. The performances of Prakit's group of companies in terms of advertising revenue reached 368.8 million baht plus other revenue of 15.1 million baht, making a total revenue of 383.9



million baht. After deducting the cost of services and expenses, there will be a profit after tax, including other income, of 50.1 million baht.

In 2015, Prakrit Holdings Plc. sold a piece of land in Soi Sukhumvit 62 to an affiliated company named Sukhumvit 62 Medical Limited., at a price of 250.3 million baht. This piece of land was purchased in 2007 for 90 million baht, making a profit of 160.3 million baht. In our financial statement this equates to a profit per share of 3.22 baht. However, in making the consolidated financial statement, a profit from selling the land of 160.3 million has to be eliminated by 35.41% (equal to the stake we hold in Sukhumvit 62 Medical Limited.) making the profit recorded in the consolidated financial statement at 64.59% or 103.5 million baht, and the profit per share at 2.15 baht.

Since 1993, when our company was first listed in the Stock Exchange of Thailand, our performances have been at a satisfactory level. We have declared a dividend of not less than 60% of the net profit every year. The company's committee has retained the profits after paying the dividend, and utilized it as circulating capital, enabling us to refrain from taking bank loans. Moreover, we still have hundreds of millions of baht in retained earnings. The company's committee has decided on a policy to use the retained earnings to expand to other businesses in order to ensure stability and reduce risk. This is the reason why we decided to buy the piece of land at Sukhumvit Soi 62 in 2007. Our committee had an idea to use the land in a number of ways, including a private hospital project which the company has agreed with. A feasibility study has been conducted, which helps us to be confident in the investment, couple with the fact that good private hospital facilities are not available in the area from Prakhonong Bridge to Bang Na Junction. So, our company has decided to set up a private hospital. We have recruited many well-known persons in this medical field who have agreed to join in the investment. We have also hired a consulting company to carry out a



feasibility study. Having learned that Saha Union Plc. was interested in establishing a private hospital in the same vicinity, we persuaded them to join us instead of competing with each other. After having studied the project over the last 6 months, Saha Union Plc. has agreed to join us to invest in a private hospital project. The latest update on this project is that we have completed the design and are in the process of making an environmental impact analysis. We expect to construct the hospital building within this year.

Our company invests 300 million baht in this hospital by using the money from the sale of the land mentioned earlier in Soi Sukhumvit 62, plus some retained earnings which means that a bank loan will not be necessary. The establishment of a hospital is a long-term investment and has good potential. We anticipate that the hospital will generate a yield within 5-6 years.

Moreover, the advertising business we are currently running still continues to give consistent profit to the shareholders, so we have no need to raise our capital. Our company had a registered capital of 60 million baht (60 million shares) in 1993, but now we have a total asset of 1,000 million baht and a book value of 15.36 baht per share.

Regarding the advertising business in 2016, we expect to have a better performance than in the past year. Last year, we could make over 50 million baht of profit, so the Board of Directors agreed to pay a dividend of 1 baht per share in late May 2016.

(Prakit Apisarnthanarax)

Chairman of the Board of Directors



## **Audit Committee Report**

The Audit Committee was appointed by the Board of Directors. The Audit Committee comprised of Dr.Pichai Charnsupharindr, Chairman; and Dr.Manoon Pahirah and Mr.Sommanous Na Bangchang, Members.

The Audit Committee performed its duties and responsibilities as assigned by the Board of Directors. This year, the Audit Committee held 4 meetings to review with the Management and the external auditor as summarized below:

### **1. Review of financial reports**

The Audit Committee reviewed quarterly, annual, and consolidated financial statements. All adequate information in connection with the related transaction had been disclosed and complied with accounting standard under generally accepted accounting principles. Each year the Audit Committee and the external auditor held a meeting without the Management.

### **2. Review of internal control**

The Audit Committee reviewed the internal control of the Company and agreed that the internal control system was adequate and effective for the type of business. Moreover, the Audit Committee proposed to the Board of Directors the setting up of an internal audit section for improving its internal control standard. The Board of Directors considered and approved the hiring of an internal auditor effective from year 2016.

### **3. Review of risk management**

The Audit Committee reviewed the Company's risk management policy, management plan and operations and discussed with Management the area where risk might occur and preventive measure that could be applied.



#### 4. Appointment of the external auditor for 2016

The Audit Committee selected Bunchikij Co.,Ltd. as the Company's external auditor for the year 2016, and proposed as auditors, Mr.Pornchai Kittipanya-ngam, and/or Mrs.Suwanee Kittipanya-ngam, and/or Mr.Thanakorn Fakfaipol of Bunchikij Co. Ltd. They would be proposed to the Annual General Meeting for approval.

Pichai Charnsupharindr, Ph.D.

Chairman

Audit Committee



## **1. POLICY AND BUSINESS OVERVIEW**

### **1.1 Vision and Mission of the Company**

Vision: Growing Together

The Company grew up in advertising industry together with the stakeholders.

Mission: The greatest assets are our people.

- Our people's talents create great value to our clients,
- Works we produce add value to the stakeholders and the community at large.
- These values flow through everything we do, it allows us all to prosper in a synergistic manner.
- Operating our business with good governance, anti-corruption and responsible for stakeholders and society.

### **1.2 Significant changes and developments**

In the year 1978, the Company started off (registered) as an advertising company under the name "Prakit & Associates Company Limited" with Mr. Prakrit Apisarnthanarak as the founder. Afterward, the Company joint-invested with Foote, Cone & Belding International Corp. (FCB) which then was the top three advertising agency in the USA and set up new company namely "Prakit and FCB Company Limited" in 1986, became a Public Company in 1992 and the Company was listed in the Stock Exchange of Thailand (SET) in 1993.

In 1999, the Company registered the new name as Prakrit Holdings Public Company Limited and stepping into

1. Investment in subsidiaries, associated and other companies.
2. Providing management service, consultancy for accounting, finances and other services for group of companies and other companies.
3. Providing media strategic planning and operating as a media buying agent.





As well as subsidiaries and associated companies provides advertising materials and other advertising concerned.

Significant changes and developments

- April 2011** Approving the increased paid-up capital of the Company from the existing 59,484,000 shares to 60,000,000 shares to senior executives (including any senior executive who are directors) of the Company and its subsidiaries under the ESOP Scheme.
- January 2014** Approving the investment amounted USD 22,500 in Praktit Advertising Co., Ltd. in Myanmar or 90% of issued shares of the Company.
- March 2014** Approving the Share Repurchase Program for Financial Management Purposes, of which the budget is not exceeding Baht 79,460,000. The Company will repurchase up to 5,800,000 shares, representing 9.67% of the issued 60,000,000 shares of the Company.
- April 2014** Changing in major shareholding structure of the Company as IPG Group (FCB) which held 14,800,000 shares or 24.67% of the Company's issued shares sold its shares. Yet after transaction completed, there was not any new shareholder possessed more than 5% of issued shares of the Company.
- July 2014** Changing the Company's Securities Symbol from P-FCB to PRAKIT.
- October 2014** Approving Praktit Advertising Limited (a subsidiary) to invest in the new company named "Bangkok Writer and Partners Limited".



July: 2015

1. Approving the Company to acquisition 7,500 ordinary shares and purchase 2,992,500 newly issued ordinary shares with a par value of Baht 100.00 per share at the price of paid-up capital of Baht 100.00 per share in Sukhumvit 62 Medical Limited. “Medical”, a total 3,000,000 shares or 300 million Baht, or 35.41 percent of registration shares of “Medical”.
2. Approving to the sale of land, (7 deeds), comprising a total area of 3 rai, 1 ngarn and 54 square wah at Soi Sukhumvit 62, Sukhumvit road, Bangchak, Pra Khnong, Bangkok to Sukumvit 62 Medical Limited at an agreed the total purchase price of 250.3 million Baht.

### 1.3 Structure of the Shareholding in the Company

Company and the Group of Companies operate advertising and public relations which is highly competitive with rapid communication development and changes. It is essential, therefore, to have very experienced persons who can deliver maxiized benefits in all perspective to clients. The company arranged the types of business to fit with the expertise of human resource in the group of companies.

#### Operational Policy for the group of companies

Advertising and Public Relations which are highly competitive with rapid communication development. It is essential, therefore, to have very experienced persons in specific fields to deliver maximized benefits in all perspective to clients. The company arranged the types of business to fit with the expertise of human resource in the group of companies.



1. Media strategic planning and media broker. These jobs need experienced persons to handle. The Company provides services for every company in the group in buying all media at the best cost for clients.
2. Providing advertisement materials, the process of works starts from strategic planning who develops strategy so that creative teams can create works that answer to the planned strategy. Subsidiary companies will be responsible for the said creation while account management teams will bridge creative people with strategic, media and clients, making sure that the whole process will go smooth, fast and successful as planned.
3. Direct advertising (event) covers special marketing activities which better reach target consumer, enabling them to make decision to buy client's service or products. There are various types of activities, such as, new product launches, exhibitions, road show and product sampling.  
  
It is necessary that we had specialist team who could get things done within time limit and workaround to bring success to the activities.
4. Public Relation - The nature of this business is to get across the activities and development of clients to consumers. Public Relation is a very effective channel for the job. The Company must have good connection with PR persons of all media for such activities as press conference, press release, etc.
5. As for business in Indo-China, the office in each country will take charge of all types of work in cooperation with the specialist local companies.

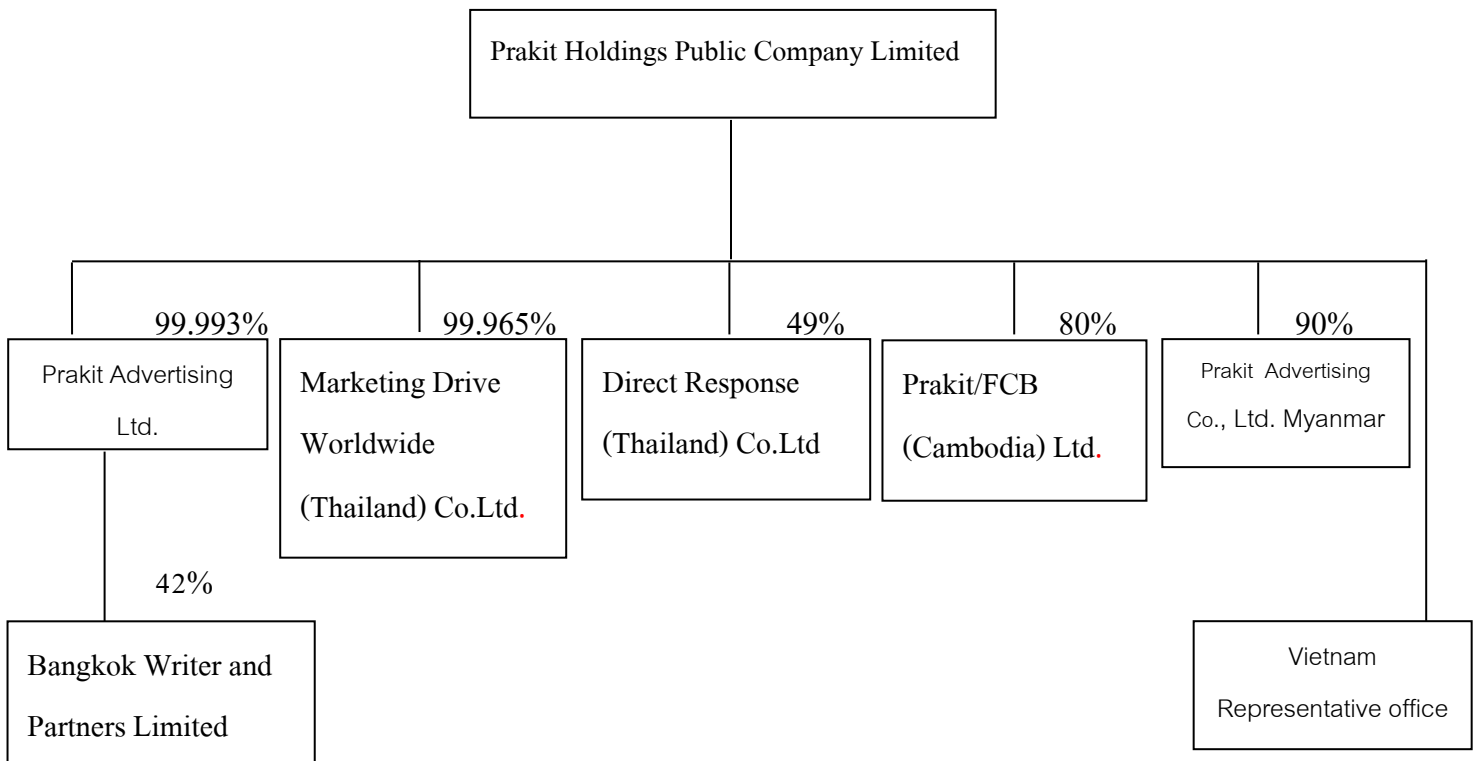


## Summary of Associated and Subsidiary Companies

1. Prakrit Advertising Limited	Company's share	99.993%
2. Marketing Drive Worldwide (Thailand) Ltd.	Company's share	99.965%
3. Prakrit/FCB (Cambodia) Ltd.	Company's share	80%
4. Prakrit Advertising Co., Ltd (Myanmar)	Company's share	90%
5. Direct Response (Thailand) Co., Ltd.	Company's share	49%

Besides, Prakrit Advertising Limited invested in the new company named “Bangkok Writer and Partners Limited” with 42% share.

Besides, Prakrit Advertising Limited which is the subsidiary of the Company held 42% share of Bangkok Writer and Partners Limited.





Note :

1. Direct Response (Thailand) Company Limited of which 51% shares are held by Miss Pavinee Apisarnthanarax and Mr. Anucha Apisarnthanarax. Both are authorized Directors of Direct Response (Thailand) Company Limited.
2. Prakit/FCB (Cambodia) Ltd. with 20% shares held by 2 Thais, each has 10% shares and are not related parties of the Company.
3. Prakit Advertising Limited (Myanmar) with 10% shares held by 1 Thai who is not related parties of the Company
4. Bangkok Writer and Partners Limited with 58% shares held by
  - Mr. Apirak Apisarnthanarak (Company's director) 8 %
  - Mrs.Thanaporn Boonyangyuen 20 %
  - Miss Panita Boonyangyuen 5 %
  - Mr. Ratrong Srilert 25 %

Mrs.Thanaporn Boonyangyuen, Miss Panita Boonyangyuen and Mr. Ratrong Srilert are not related persons nor have conflict of interest in the company



## 2. TYPE OF BUSINESS

### 2.1 Revenue structure

Revenue structure of Company and subsidiaries-to financial budget (of) from 2013-2015

Product line	Operate by	%of share	2015 Revenue'000	%	2014 Revenue'000	%	2013 Revenue'000	%
1. Revenue from media planning and buying brokerage	Prakit Holdings PCL.	-	100,497	20.62	77,783	21.29	94,128	23.13
	Prakit Advertising Co.,Ltd.	99.99	60,152	12.34	54,418	14.89	53,875	13.24
	And subsidiaries.		392	0.08	716	0.20	1,258	0.31
				161,041	33.04	132,917	36.38	149,261
2. Revenue from product advertisement	Prakit Holdings PCL.	-	66,621	13.67	75,630	20.70	87,463	21.49
	Prakit Advertising Co.,Ltd.	99.99	91,730	18.81	100,726	27.57	135,962	33.41
	Associated and subsidiaries		2,127	0.44	-	-	-	-
				160,478	32.92	176,356	48.27	223,425
3. Revenue from public Relation and Direct Advertising	Marketing Drive Worldwide (Thailand) Co.,Ltd.	99.96	47,288	9.70	32,645	8.94	9,670	2.38
			47,288	9.70	32,645	8.94	9,670	2.38
4. Revenue from other investments	Prakit Holdings PCL.	-	12,100	2.48	19,387	5.31	18,245	4.48
	Prakit Advertising Co.,Ltd.	99.99	2,718	0.56	3,572	0.98	5,977	1.47
	And subsidiaries.		307	0.06	436	0.12	358	0.09
				15,125	3.10	23,395	6.41	24,580
5. Revenue from selling property for investment.	Prakit Holdings PCL.	-	103,538	21.24	-	-	-	-
			487,470	100	365,313	100.00	406,936	100.00



## 2.2 Product types of the Company, subsidiaries, and affiliates.

- a) Providing media strategic planning and operating as a media buying agent.

### **Product types**

Media strategic planning and media buying is responsible by the Media Department who will study clients' products before effectively planning and buying as planned. After client's approval, media team who act as client's agent will contact TV channels, program producers, print medium, sign board or billboard and others for buying. Company charges brokerage (Agency commission) for service.

### **Market and competition**

The Company provides media strategic planning and is a medium size media buying agent in the industry. The main used is TV commercial because of the price rate. Company must have solid connection with business partners in order to get ads-rate that satisfies clients.

New media can effectively reach consumer. Thus the Company has to monitor all the changes in order to recommend the best of interest for clients.

In the year 2014, Office of the National Broadcasting and Telecommunication Commission (NBTC) auctioned the total 24 digital channels over the existing 6 and changing system from the old system to digital were made in 2015. The launch of new comers gave rise to fierce competitions. Media strategic planners have to take into considerations the public preference of each individual channel in planning for the maximum benefits of clients.

- b) Producing all types of advertising.

### **Product types**

Production of TV commercials, all print materials, radio spots, video and else.



With the following units, Company creates ad works that will effectively impact customers:

### Strategic planning

The insight, target consumer's behavior analysis and all the factors that affected their decision procedure will be utilized for strategic and marketing communication plan. There are 5 steps of operation starting from learning – understanding – triggering of idea – crafting the idea to get access to consumer – last but not least is turning the idea into clever and tangible piece of work.

### Creative Department

From the strategic plan, Creative team will create and present alternative advertising concepts for clients to choose from. Option which clients deem spotting on to consumers will be developed into completion.

### **Market and competition**

The growth of advertising industry largely depends on national economy. If the economy is good, budget allocation from client is high hence advertising business will glow. On the contrary, if and when economy struggles, client will reduce advertising budget which will badly impact advertising business. For the utmost effectiveness, Company has to propose holistic integrated advertising plan which is in line with client's marketing plan for the product.

Drastic competition is going on in advertising business such as cutting service fee to earn the job. Good advertising that bring success to clients is a factor which keep them with us. The Company maintains solid relationship to keep current clients as well as expanding new client base.





The following is how to win new clients:

1) Acquiring through pitching

The company has been invited to enter new business pitches against other agencies. The winner will be awarded the handling of advertising production and planning for clients.

2) Acquiring through personal relationship of the management.

After over 20 years in the business - with a number of widely recognized works – with the ingenuity of the Company’s Directors and executive management who has broad personal connection with people in various industries, all of which enhance client base for the Company.

3) Contact potential clients

The Company directly contacts potential clients to make presentation of credential and portfolio. The Company will start to work on details for further step if clients show interest.

### 2.3 Providing products and services

There are 3 types of products and services affiliated and subsidiary companies produce:

- Print materials
- TV commercials
- Radio spots

1. Producing Print materials

Print materials mean advertising in press, magazines, journal, leaflet, pamphlet including signs of internal and external of the building. Print materials include billboard, bus side, in-bus ad, sky train, train, bus shelter, in the air terminal and etc.



Productions vary in term of technique. Publishing technology for press ad is different from other materials which depend on the design and creation of visual and copy. Computer graphic is the technology utilized in creating layout for presentation. Until satisfying client, Company will proceed to artwork and advertisement which needs computerized technology and varieties of technique.

Such technology needs knowledgeable and experienced personnel, on-going development of human resource and equipment. Budget and time frame should be taken into serious consideration when working on print materials.

Ingenuity of personnel in each unit could be an issue when comes to print materials. Computer graphic experts must be able to efficiently solve problems arising without affecting on budget and timing.

## 2. TV commercial production

A TV commercial, although, is 60 – 30 or 15 second length of time, it takes the least one month on production stage. It needs close cooperation between Creative and production teams, all of whom must profoundly understand the core of the work and in all details before the production get started. Any mistake will cost the company.

### Production steps of a TV commercial

1. Get to know the structure and story of the board thoroughly well among the teams which means both video and audio
2. Internal Pre-production is the preparation step which includes casting, location selection, props, wardrobe, etc. Decision in all items will be made before proceeding on to client.
3. Pre-production meeting is where and when Company and production house persons present all the details which has been



agreed upon internally for client to acknowledge and approve. Any disapproval, Company will adjust for approval.

4. Shooting of commercial to cover all details as per agreed with client.
5. Post production is the step when the shot materials be cut to tell story, put special technique and sound to complete the commercial before aired.

Advertising agency will make sure that client will approve each and every of the 5 steps.

Problems and obstacle arise during the production stage are details and budget control. With the length of 30 – 60 seconds, the production must cover all the planned details. Besides, with the long hours work and high budget, the Company must employ highly capable person in the field who has experience to select the right production company, who can take control in every step to avoid error. And most importantly is to control budget and ensure the production time frame as planned.

### 3 Producing radio spot

Although the production process of radio spot is not as complicated as TV commercial, it specially needs a sound expert titled as sound producer.

#### Production process for radio spot

1. Sound producer gets brief on the idea of the script from creative team and agree on the announcer for the script.
2. Sound recording of voice and sound effects.
3. Sound Mixing - the process of mixing of voice and sounds upon agreement.



Problems and obstacle of sound producing is that it needs a sound specialist who can recommend announcer suitable for the idea of the script and take control of the whole process.

#### Environmental friendly

As the Company's product is services, the issue of environmental friendly can be handled from within. Energy saving and recycling are a part of Company's policies which help cut operational cost.

#### 2.4 Non-handed over works

- None –

### 3. RISK FACTORS

#### 3.1 Business risk

Advertising business faces the following risk factors:

1. Loss of principal clients. Under the current competitive situation, the Company and group of companies may lose all or part of the earning from principal clients which would significantly affect the company's revenue.

As such, the group of Companies has to put effort to get the opportunity to present ourselves to prospects.

Development of the staff must be carried on simultaneously in order to improve quality of works and services which will eventually win new clients.

2. The increase of TV media rate. There are occasional increases in media rate card which may decrease client's advertising volume. However, that does not affect advertising budgets which have been planned beforehand. In addition, the increase on



media rate card doesn't affect the agency's income because agency commission is calculated from the agreed rate multiplied with cost of media billings.

3. The increase of production cost for advertising materials. The affect will be similar to the increase of media rate card.

4. The decrease of agency commission and service fee rate. Currently, the competition in advertising industry is so fierce as to cut the rate of agency and service fees. Inevitably, the Company has to cut down the afore-mentioned rate in order to maintain the existing clients as well as to acquire new ones. The associated and subsidiary companies will put effort in earning new business and revenue to make up for what was decreased. A policy to control costs and expenses is also in action.

### 3.2 Legal Risk

At the moment, law enforcement on the prohibition of advertising on cigarette and alcoholic products is in action. The enforcement will be applied to other products sometimes in the future. It is fortunate that at present the associated and subsidiary companies do not service clients with prohibited products. But if there is any in the future, the group of companies will advise client to strictly comply to the law.

### 3.3 Personnel risk

Human resource is a key factor in advertising business. As a specialist in their field, they are very much sought after. Agency is at the risk of losing them any time.

Company realizes that our people are our greatest assets as mentioned in the Mission

Thus, Agency implements policy to develop staffs with on-going trainings, arrange activities which strengthen relationship between the management and staffs. Last but not least is the provident fund scheme, zero-interest loan and etc.



#### 4. ASSETS USED FOR BUSINESS

##### 4.1 Fixed assets of the company and its subsidiary and associated companies

Land and building. The Company is located at 88 Soi Sukhumvit 62, 3rd intersection, Sukhumvit Road, Bangchak, Prakanong, Bangkok. This land and building belong to the Company and have been mortgaged to the Bangkok Bank Public Company Limited-Vibhawadi-rangsit Branch as collateral for a 30 million baht credit line for overdrafts facilities of its subsidiary and related companies.

Land The Company has 1 plot of land which is the land at Sukhumvit Soi 50 totaling 708 square wah has been leased out with 28 years contract of lease started from May 9, 2001 until September, 2029.

Value of land and building on land at December 31, 2015 is as follows:

(For company)	Baht
Land (At cost)	101,026,000.00
Land Improvement (At cost)	2,699,157.82
Building and improvement (At cost)	<u>89,523,267.79</u>
Total	193,248,425.61
<u>Less Accumulated Depreciation</u>	<u>64,538,678.93</u>
Net book Value	<u>128,709,746.68</u>

The subsidiaries and associated companies invested in many types of computer software for business operation.



#### 4.2 Investment policy in Associated and subsidiary companies

The Company invested in associated and subsidiary companies according to types of business and clients.

In addition, the Company invested in overseas locations of the associated and subsidiary companies as per the request of major clients in Thailand. Beyond that, it is the vision of the management for potentiality and opportunity.

Moreover, the Company has policy of expansion from the current advertising business, such as, providing marketing consultancy, packaging design, web design. All of which are the trend of today's advertising business.

The Company may diversify to other business if opportunity allows and with joint investor in order to generate long term returns to Company and shareholders.

#### 4.3 Valuation of assets

The plot of land which was above-mentioned in 4.1 and which is not where the Company situated on, was fairly and approximately valued by a valuation company at 125.32 million baht. (Financial Statement as at December 31, 2015 disclosed this fair value on the Notes of the financial statement no. 12 Investment property).

### 5. LEGAL CASES

A subsidiary company took one of the clients to court case claiming an approximate amount of 8.0 million baht because of financial crisis. The two parties later on came to a compromise. Client agreed to pay on installment.

However this subsidiary has already accrued allowance for bad debt for this client.



## 6. GENERAL AND OTHER IMPORTANT INFORMATION

### 6.1 General information

Company name : Prakrit Holdings Public Company Limited

Office address: 88 Soi Sukhumvit 62, 3rd intersection, Sukhumvit Road, Bangchak, Prakanong, Bangkok 10260, Thailand.

Company register no. 0107535000389

Telephone no. (662) 7153000

Facsimile no. (662) 3328522

Website : [www.prakit.com](http://www.prakit.com)

Registered capital : Ordinary share 99,484,000 shares of 1 Baht par value

Issued and fully paid up capital: 60,000,000.00 baht or 60,000,000 shares.

Type of business: Media strategic planning, media buying and invest in associated and subsidiary companies with advertising business or concerned, and other business types for the expansion of Company's business.

### **Summary of Associated and Subsidiary Company**

#### Associated Companies

##### (1) Detailed information about **Direct Response (Thailand) Limited**

Company Name : Direct Response (Thailand) Limited.





Office address : 88 Soi Sukhumvit 62, Section 3, Sukhumvit Road, Bangchak, Prakanong, Bangkok.10260, Thailand.

Type of business : Direct advertising and Public Relation.

Type and amount of shares: Registered type of ordinary 2,000 shares of 1,000.00 baht par value, issue and fully paid up.

Number of shares held by the Company: Ordinary share of 980 shares which is 49% of issued and fully paid-up.

(2) Detailed information about **Bangkok Writer and Partners Limited**

Company name : Bangkok Writer and Partners Limited

Office address : 88 Soi Sukhumvit 62, 3rd intersection, Sukhumvit Road, Bangchak, Prakanong, Bangkok 10260, Thailand.

Type of business : Media strategic planning and media broker and creating advertisement, special events and Public Relation.

Type and amount of shares: Registered type of ordinary 100,000 shares of 100.00 baht par value, issued and fully paid up.

Number of shares held by the Company: Prakit Advertising Limited holds 42% of issued and fully paid-up shares or 42,000 shares.

(3) Detailed information about **Sukhumvit 62 Medical Limited**

Company name : Sukhumvit 62 Medical Limited

Address : 77 Sukhumvit 62, Sukhumvit road, Bangchak, Phra Khanong, Bangkok 10260.

Type of business : Private hospital



Type and amount of shares: Ordinary share of 8,272,500 shares, par value of 100 Baht issued and paid up as follow

1. Ordinary share of 100,000 shares – fully paid up.
2. Ordinary share of 8,172,500 shares - 50% paid up.

Number of shares held by the Company: Ordinary share of 3,000,000 shares at 35.41% of the issued shares with the following

1. Ordinary share of 7,500 shares – fully paid up.
2. Ordinary share of 2,992,500 shares - 50% paid up.

#### Subsidiary Companies

##### (1) Detailed information about **Prakit /FCB (Cambodia) Limited**

Company Name: Prakit /FCB (Cambodia) Limited  
Office address : No.11, St.430, Sangkat Phsar Doem Thkov, Khan Chamkarmorn, Phnom Penh, Cambodia.  
Type of business: Media broker and creating advertisement.  
Registered Share : Ordinary share 500 shares of US\$50.00 par value  
Number of shares held by the Company: Ordinary share 400 shares which is 80% of issued and fully paid-up.

##### (2) Detailed information about **Prakit Advertising Limited**

Company name: Prakit Advertising Limited  
Office address: 88 Soi Sukhumvit 62, 3rd intersection, Sukhumvit Road, Bangchak, Prakanong, Bangkok 10260, Thailand.  
Type of business: Media broker and creating advertisement.



Registered Share : Ordinary share 100,000 shares of 100.- par value, issue and fully paid-up.

Number of shares held by the Company: Ordinary share 99,993 shares which is 99.993% of issued and fully paid-up.

(3) Detailed information about **Marketing Drive Worldwide (Thailand) Limited**

Company Name : Marketing Drive Worldwide (Thailand) Limited

Office address : 88 Soi Sukhumvit 62 Section 3, Sukhumvit Road, Bangchak, Prakanong, Bangkok. 10260, Thailand.

Type of business: Direct advertising (event) covers special marketing activities which better reach target.

Registered Share : Ordinary share 20,000 shares of 100.- baht par value, issue and fully paid-up.

Number of shares held by the Company: Ordinary share 19,993 shares that is 99.965% of issued and fully paid-up.

(4) Detailed information about **Prakit Advertising Co. Ltd**

Company name: PRAKIT ADVERTISING Co.,Ltd.

Office address: No. 62, Room No 501, Bandoola Complex Tower (A), Mahabandoola Street, Pazundaung township, Yangon, Myanmar.

Type of business: Media broker and creating advertisement, direct advertising (event) and Public Relation.

Registered Share: Ordinary share 500 shares of USS 100 par value, 50% issued and fully paid-up.

Number of shares held by the Company: 90% of issued and fully paid-up.



### **Other reference information**

(A) Registrar

Thailand Securities Depository Co., Ltd.  
93 SET building, Fl. 14, Rachadapisek Road,  
Dindaeng, Dindaeng, Bangkok 10400  
Tel. 0-2009-9378 Fax 0-2009-9476

(B) Auditor

Mr. Pornchai Kittipanya-ngam and/or Mrs. Suwanee Kittipanya-ngam  
and/or Mr. Thanakorn Fakfaipol,  
Bunchikij Co., Ltd.  
87/102-103 Modern Tower Building, 9th Floor, Ekamai Soi 3, Sukhumvit 63 Rd.,  
Klongton-Nua, Wattana, Bangkok 10110.  
Telephone no. (66) 2382-0414  
Facsimile no. (66) 2381-5849

(C) Legal advisor

Mr. Siwa Disapirom  
Attorney Certificate No. 13357/2529  
44/86 Soi Charoenpattana, Tiwanont Road,  
Taladkwan, Mueng, Nonthaburi.

### **6.2 Other reference information**

**- None-**



## 7. CAPITAL AND SHAREHOLDERS INFORMATION

### 7.1 Issued and fully paid-up capital

There was authorized share capital of 99,484,000 baht with ordinary shares of 99,484,000 shares, 1.00 baht par value, issued and fully paid-up capital of 60,000,000 ordinary shares, 1 baht each, totally 60,000,000.00 baht.

The company doesn't have any other shares with different conditions than ordinary share such as, preferred share.

### 7.2 The shareholders

The name and the shareholding ratio of the major shareholders as at January 19, 2016 are as follow:

No.	Shareholders	Amount held	%
1	Prakit and Associates Co., Ltd. **	14,810,600	24.68
2	Apisarntharak Family		
	Mr.Prakit Apisarntharax	4,899,900	8.17
	Ms.Pavinee Apisarntharak	2,328,994	3.88
	Mr.Anucha Apisarntharak	2,761,493	4.60
	Mr.Apirak Apisarntharak	2,608,793	4.35
3	BNP PARIBAS SECURITIES SERVICE, LONDON BRANCH	3,376,000	5.63
4	Promart International Company Limited	1,460,000	2.43



No.	Shareholders	Amount held	%
5	MR.Pridiyathorn Devakula	1,000,000	1.67
6	Mr. Wichai Jiracharoenkijkul	933,800	1.56
7	Mr. Joompol Suwattanapongse	850,000	1.42
8	Mr. Nanop Supaktrmontri	519,000	0.87
9	Ms. Wichuda Grairithikul	484,200	0.81
10	Mr. Prapand Apisarnthanarak	457,980	0.76
Total		36,490,760	60.82

Remark : \*\* Prakit and Associates Co., Ltd., which had advertising business before joining with FCB. Now it changes its business to investment in stock market. There is no business relationship except directorship.

### 7.3 Other capital

None

### 7.4 Dividend payment policy

The company has the policy to pay dividend not less than 60% of normal net profit.

There is no dividend policy in associated and subsidiary companies but dividend payment is subject to Board of Directors' consideration of the company's overall operation result and future projects (if any) and propose to shareholders for getting approval.



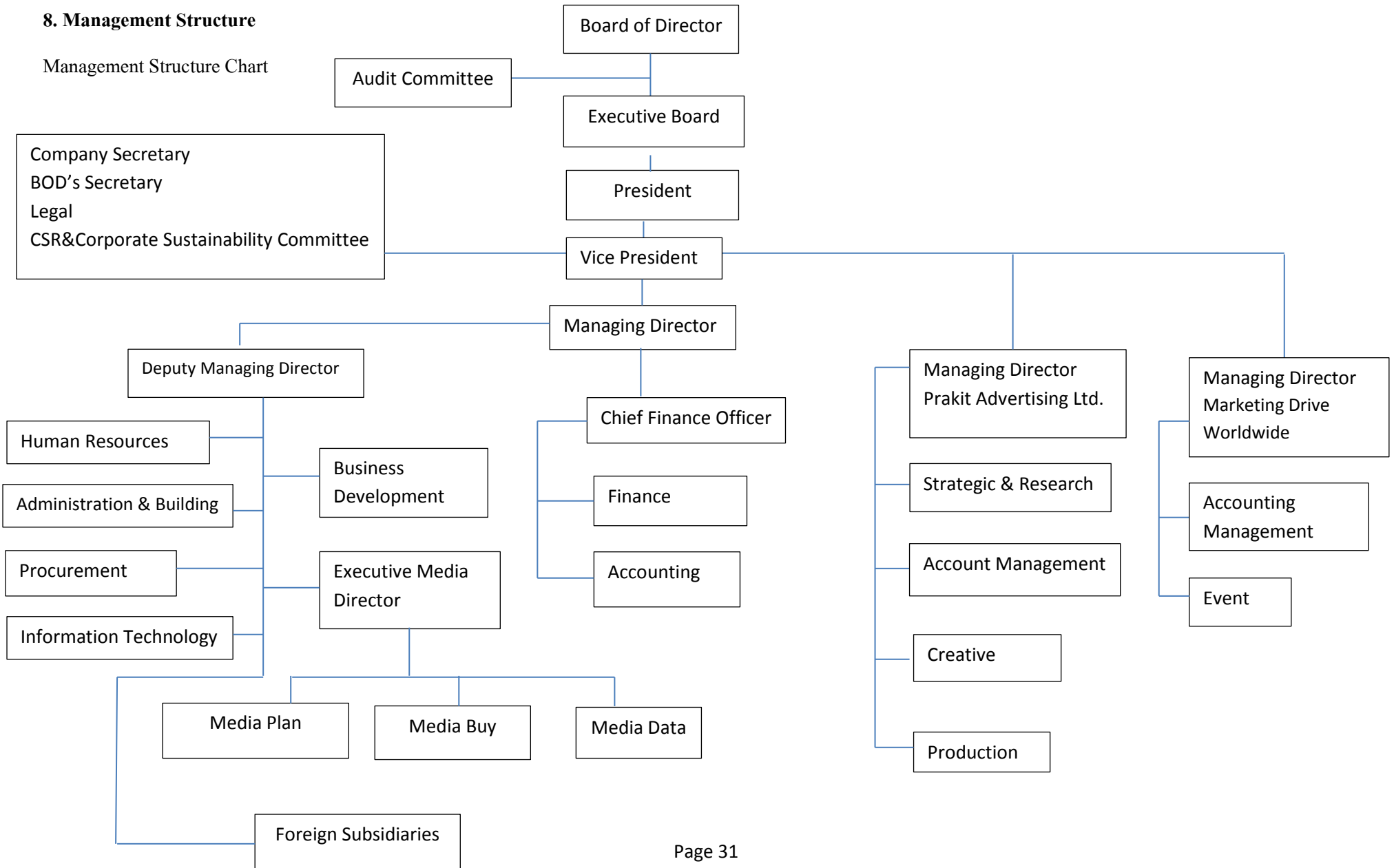
Detailed information of dividend payment data during the past 5 years

Detail information	2014	2013	2012	2011	2010
Dividend payment / share (baht)	0.80	1.00	1.00	0.75	0.65
% of dividend payment	93.63	77.13	63.04	63.68	70.36



## 8. Management Structure

Management Structure Chart







### 8.1 Board of Directors

The Board of Directors of Prakrit Holdings Public Company Limited consists of 9 directors as :

Names		Position	Appointed Year	Term in Director
1. Mr. Prakrit	Apisarnthanarax	President	1992	24
2. Mr. Phisal	Prahasdangkura	Vice President	1992	24
3. Mr. Anucha	Viriyachai	Managing Director	2008	8
4. Mr. Pheecha	Chaochotechuang	Director	1992	24
5. Mr. Apirak	Apisarnthanarak	Deputy Managing Director	2008	8
6. Mr. Vichien	Nakintanond	Director	1992	24
7. Dr. Pichai	Charnsupharindr	Independent Director / Audit Committee	2005	11
8. Mr. Sommanous	Na Bangchang	Independent Director/ Audit Committee	1992	24
9. Dr. Manoon	Pahirah	Independent Director / Audit Committee	2004	12

Noted : Mr. Anucha Viriyachai was in the position of Managing Director and Director until December 31, 2015.

The Company Director is appointed by Company's shareholders according to the following rules and regulations ;

1. One shareholder holds the number of votes as of the amount of shares.
2. The shareholders shall exercise all the entitled votes according to (1), votes for either one or more persons to be a Director(s) which he/she cannot divide and specify the number of votes among them.



3. The persons obtaining the highest votes respectively shall be elected as the Directors, the number of which depends on the requirement. In case of a tie, the presiding chairman will arbitrate on last director.

Each year, one-third of Company's Directors must retire by rotation. If and when it does not make the precise number, the closest to the one third of the number will be the final.

The Directors who are retiring by rotation may be re-appointed.

#### The Company authorized directors

The signatory Directors consist of Mr. Prakit Apisarnthanarax co-signs with Mr. Phisal Prahasdangkura or Mr. Pheecha Chaochotechuang or Mr. Anucha Viriyachai or Mr. Apirak Apisarnthanarak with the Company seal. There is no restriction on the authority of Directors.

#### The authority of Company's Directors

The authority of Directors are defining policy, directing the operation in accord with policy within the rules and regulations of the Company, related rules of law as well as the resolution of the shareholders meeting.

Authority of the Company's policy are

1. Set policy, objective and annual budget
2. Take into considerations the quarterly result of the Company and group of companies
3. Take into considerations the investment in new projects, acquisition and disposition of Assets.
4. Take into considerations and approval salary adjustment, bonus for the management and staffs.
5. Take into considerations the appointment and end of Directors, audit committee, company's secretary, subcommittee, subsidiary company's Directors and executive management as well as defining the Directors' remuneration.



6. Interim dividend payment.
7. Direction governance and management with integrity, good moral, follow the Company's rules and regulations, related rules of law and the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission.

#### Board of Directors Meeting

Name	The Board of Directors Meeting
1. Mr. Prakrit Apisarnthanarax	9/9
2. Mr. Phisal Prahasdangkura	9/9
3. Mr. Pheecha Chaochotechuang	9/9
4. Mr. Vichien Nakintanond	9/9
5. Dr. Pichai Charnsupharindr	4/9
6. Mr. Sommanous Na Bangchang	9/9
7. Dr. Manoon Pahirah	4/9
8. Mr. Anucha Viriyachai	9/9
9. Mr. Apirak Apisarntharak	9/9

#### 8.2 Executive Management

As of December 31, 2015, Executive Management was management team of the Company consisted of 7 members as follows :

1. Mr. Prakrit	Apisarnthanarax	Executive President
2. Mr. Phisal	Prahasdangkura	Executive Vice President
3. Mr. Anucha	Viriyachai	Managing Director
4. Mr. Apirak	Apisarntharak	Deputy Managing Director
5. Mrs. Siri-orn	Chernpipat	Executive Media Director
6. Miss Wichuda	Grairithikul	Chief Finance Officer
7. Mrs. Charuwan	Kulyanamitr	Human Resource Director



### Authority of Executive Management

1. Set strategic plan and management according to the policy defined and approved by Board of Directors.
2. Define annual budget and propose to Board of Directors.
3. Prepare and present investment projects to Board of Directors.
4. Report results of Company's operations to the audit Committee and Board of Directors.
5. And more as assigned by Board of Directors.

### 8.3 Secretary of the Company

Miss Wichuda Grairithikul

\*\* History of Board of Director, Executive Management and Secretary of the Company in enclosed document I

### 8.4 Remuneration of Directors and management

Company's Board of Directors defined the Directors' remuneration policy as follow :

1. Remuneration for Directors who are not management and thus without salary for that.  
The remuneration depends on duty and responsibility of the Directors
2. Meeting allowance is paid for independent Directors to attend Board of Directors meeting, Audit Committee meeting and shareholders meeting.



In 2015, total remuneration for directors were as follows:

Company

1. Cash remuneration

Directors name list		Remuneration and Meeting allowance
1. Mr.Phisal	Prahassadangura	1,200,000.00 baht
2. Mr.Preecha	Chaochotechaung	1,440,000.00 baht
3. Mr.Vichien	Nakintanond	360,000.00 baht
4. Mr.Sommanous	Na Bangchang	240,000.00 baht
5. Dr.Pichai	Charnsupharindr	50,000.00 baht
6. Dr.Manoon	Pahirah	50,000.00 baht

2. Other Benefits - None -

Moreover, Company paid the remuneration to Directors who were Executive Management as salary, bonus and other benefits was Baht 13,382,260.00.

Subsidiaries

Subsidiary Companies did not pay to Director in cash or other benefits for the position of Directors.

Subsidiary Companies paid the remuneration to Directors who were Executive Management as salary, bonus and other benefits was Baht 8,649,692.00.

1. Cash benefits.

2. Other Benefits



## 8.5 Human Resource

As at December 31, 2015, staff of the Company and subsidiaries are as follow:

	Company	Subsidiaries
Management	5	9
Media	38	-
Account team/Creative/Strategic planning	-	60
Administration	43	20
Total	86	89

The remuneration as salary, bonus, provident fund and social insurance contribution totaled

Company	Subsidiary
57,898,720.85 Baht	76,035,545.20 Baht

### **Employee development policy**

The responsibility of staff of the Company and subsidiaries was to service clients. It was essential that they have had experiences and skills in the area. The Company therefore consistently provided trainings for staff in various levels as follow:

1. The Company singled out staff for outsource training, after which they would pass on what they learned to other staffs in the Company.
2. Inviting experts from outside to give trainings internally.



## **9. CONTROLLING SYSTEM**

### **9.1 Controlling policy**

The objective of the Company's Board of Directors is to develop the corporation to a sustainable growth, to be responsible for the stakeholders and society, to enhance staff development according to Company's mission. Above all else, the Company sets strict rule to prevent corruption in the corporation.

### **9.2 Subcommittee**

#### **1. The Audit Committees**

The Audit Committees consists of 3 independent directors appointed by The Company's Board of Director #2/2012 on March 16, 2012 and #4/2012 on November 7, 2012, each with 3 years term, as follows:

- |                               |  |
|-------------------------------|--|
| 1. Dr. Pichai Charnsuparindr  | Audit Committee Chairman                                       |
| 2. Dr. Manoon Pahirah         | Audit Committee Member   |
| 3. Mr. Sommanous Na Bangchang | Audit Committee Member with financial and accounting Knowledge |
| 4. Ms. Wichuda Grairithikul   | Audit Committee Secretary                                      |

#### **Duties and Responsibilities of Audit Committees :**

Audit Committees will report the following duties and responsibility to the Company's Board of Directors

1. To review and ensure that the company's financial disclosure are accurate and sufficient.
2. To ensure that the company has appropriate and effective internal control and internal audit systems.



3. To monitor that the company complies with the securities and Exchange Acts, regulation of the SET, and any related business laws.
4. To consider, select, nominate, propose audit fee and have meeting with the Company's auditors once a year.
5. To consider that the company complies with all connected transaction disclosures or the conflict of interest disclosures.
6. To carry out the assignment from the Board of Directors, which is agreed upon by the Audit Committees.

#### Participation in the Audit Committee meeting

In 2015, the Audit Committee held 4 meeting attended by the following :

Name	Audit Committee meeting
1. Dr. Pichai Charnsupharindr	4/4
2. Dr. Manoon Pahirah	4/4
3. Mr. Sommanous Na Bangchang	4/4

## **2. The Executive Management**

The Company Executive Management follow up policy defined by the Company Board of Directors by setting operational plan accordingly.

The followings are duties and responsibilities:

1. Prepare operational plan and annual budget.
2. Ensure that operation is according to the plan.
3. Present business information to Company's Board of Directors.





### **3 Committee on Corporate Social Responsibility and sustainability of the organization**

The Committee consists of

1. Company's Managing Director
2. Company's Secretary
3. Human Resource Director
4. Representatives from associates and subsidiaries

Duties and Responsibilities

1. Determine the operation to prevent corruption in the corporation.
2. Plan staff development of the group of company.
3. Plan and operate social responsibility activities.

#### **9.3 Appointment of Board of Directors and Executive**

The Company has not appointed the Appointment Committee. Director of the Company will be determined by the board of Directors for qualification, competence and experience, including not prohibit by Public Limited Company ACT and The Securities and Exchange Act B.E. 2535.

For appointment policy for independent directors, the Company stipulates the qualifications of Independent Director as follows :

1. Must hold no more than 1% of all voting share in the Company, its subsidiaries, affiliates or others which may cause a conflict of interests, which is inclusive of shareholding of one relating to the Independent Director.



2. The Director must not or never be part of the management, employee, consultant with regular salary nor with controlling authority over the Company, its subsidiaries, affiliates or others which may cause a conflict of interests for at least two years.
3. Must not be related, in anyway, to Executives, major shareholders who has controlling authority or a nominee for Executive or a person who has controlling authority over the Company or its subsidiaries.
4. Must have no business relation with the Company, affiliates or others which may cause a conflict of interests that could lead to the lack of independent judgement. Must not be major shareholders, director or management of the partners of the Company, its subsidiaries, affiliates or others which may cause conflict of interests for at least two years.
5. Must not be external auditor of the Company, its subsidiaries, affiliates or others which may cause conflict of interest. And must not be major shareholders, directors or partner of auditor company which audit the Company, its subsidiaries, affiliates or others which may cause a conflict of interest for at least two years.
6. Must not or never be the company of professional services including legal consultant or financial consultant which earn service fee of more than two million baht per year from the Company, its subsidiaries, affiliates or others which may cause a conflict of interest and must not be major shareholders, directors or partner of the Company providing this professional services for at least two years.
7. The Director must not be appointed to represent the Company's director, major shareholders nor shareholders related to Company's major shareholders.
8. Must not have any characteristic causing incapability to make independent comment on the Company's operation.



#### **9.4 Directing the operation of subsidiary and associated companies**

Policy of the Company is that the Board of Directors appoints or selects qualified persons to be Directors and Executives of subsidiaries to take best care of the Company's investment.

The Board of subsidiary company appoints the Managing Director and senior Executives to define the operational policy for maximum benefits of the subsidiaries.

Directors of the Company define policy for subsidiary companies. The appointed Directors and Executives hold the authority to make decision in the line of business operation except for the cases which require approval from the Company's Board of Directors

#### **9.5 Internal Information Policy**

The company's policy does not allow directors, executives, spouses and children who has not become the legal age to use the internal information of the Company for personal benefits prior to public disclosure. Company's Board of Directors will determine penalty according to each incident.

The Company has informed the Board of Directors and senior executives of the responsibility to report changes in the holding of Company's capital within 3 days.

#### **9.6 Remuneration of The Audit Committee**

In 2014, The Company and Subsidiaries paid Banchee-Kij Company Limited as follow:

1. Remuneration for auditing at Baht 1,102,000.00.
2. Other services None



## **9.7 Good Corporate Governance**

### Policy on corporate governance

The Board of Directors have well recognized the importance of Good Corporate Governance and adopted a policy to ensure that all corporate business is conducted in accordance with high standards of Corporate Governance with legally and ethically accepted corporate practices as well as complies with the Securities and Exchanges Acts, regulation of the SET and the resolution of the shareholder's meeting constantly.

### Prevention of corruption

The Company set the operation policy to prevent corruption within the company as follows:

1. Directors, executives and staff of group of companies are prohibited to accept or support or take part in corruption neither nor indirectly.
2. The Group of companies totallu prohibit bribe acceptance including gifts in all forms.
3. Staff must not ignore overlook any deemed corruption and must report to executive with full responsibility. Company will give full protection and justice to the reporter while investigates the issue.
4. Company will give training to Directors, execcutives and staff of how to prevent corruption as well as developing ethical performance.

The Company mentioned in the Company's regulations were how to tip and complain:

1. Staff will tip or complain to the Company
2. The tip or complaint must follow the chain of command to higher level or to Audit Committee
3. The chief commander who got tip or complaint will appoint a person to conduct investigation within 7 days.



4. Upon the investigation and correction, the person who gave the tip or complaint will be notified within 15 days. If and when the person found the result not satisfactory, appeal can be made to the committee.
5. The staff who submitted tip and complaint will be ensured of not being terminated, punished or any bad consequence would incur.

#### Shareholders right

The Company provides meeting invitation, reference prior to each meeting with opinion of the Board of Directors. Shareholders can propose additional agenda. There is complete and accurate meeting report for the shareholders to check. Moreover, information about the shareholders' meeting has been posted beforehand in the Company's website: [www.prakit.com](http://www.prakit.com). Then invitation letter includes the way to post questions in advance.

The Board and the management always conduct the shareholder's meeting in fair and square and equality manner.

#### Rights of stakeholders

Company realizes the importance of the rights of the stakeholders. The Board of Directors stipulates a process to build cooperation between the Company and employee, customers, partners, competitors and shareholders.

#### Employee

The Company takes care of its staff with appropriate and fair returns of provident fund, transportation service, birthday activities and training. In 2014, the Company provides both outsources and internal trainings, encourages staff to participate in variety of activities. For example, urging creative teams to enter their creative works to win awards



### Customers

The Company has the policy to develop quality works for clients, so that they meet with success, to take care of clients' benefit and operate strictly according to agreement.

### Partners

The Company has the operation policy of equality and ethic with all business partners, strictly honoring agreements and conditions.

### Competitors

Being a member of the Advertising Association, the Company strictly follows the rules and regulations of the Association which enhances fair and square business competition.

### Shareholders

The Company is committed to building a financially secured business and carry out business in good corporate governance, allowing access to information by shareholders.

### Society

\*\*\*\* Detailed in item 10.

### Shareholder Meeting

The Company delivers letters of invitation, annual report and required documents to shareholders as well as presses the announce in newspapers under the public company law. In shareholders meeting, shareholders will be treated with fairness. Shareholders can propose additional agenda as of the letter of invitation.



### Board of Directors

The Board of Director take part in setting the vision, business plan, annual budget and monitors the management performance to ensure that operation is carried out with accuracy and effectiveness.

President of the Board represents major shareholders

The President is not the Managing Director. The Company's Board of director Organization consists of Independent Directors which is more than one-third of the whole Board in order to balance management monitoring.

### Board of Directors' meeting

The Board of Directors will regularly hold meeting and there will be additional agenda if deemed necessary. Agenda will be set beforehand. There are regular operational monitoring. Secretary of the Company will prepare letter of invitation, agenda and documents 7 days in advance so that the Board of Directors has enough time to get acquainted with the information.

### Transparency Disclosure

The Company has disclosed important and complete information with transparency via the Stock Exchange of Thailand.T

The Company stipulates that the President, the Managing Director and Secretary of the Company are responsible for disclosing appropriate information to the stakeholders as well as granting analyst and investors a meeting with Company's Director on advance appointment.

### Director's Reporting

The Board of Director is responsible for the Consolidated and the Company Financial Statements and the financial information as shown in the annual report.



The financial statements had been prepared in accordance with Thai General Accepted Accounting Standard. Significant accounting policies includes consistency prudence and accruals. With discrete, diligence and the best of judgment, the Company has disclosed enough significant information in the notation of budget section

#### Conflict of Interest

The Company's Board of Directors and Executive have been informed of legal and ethical conflict of interests and related transactions guidelines. The Company has disclosed, in accordance with the regulations of Stock Exchange of Thailand, information, detail and reason/necessity, if any, in the Company's annual report and the 56-1 form.

#### Remuneration for Directors and Management

The Company takes into consideration remuneration paid in similar types of business to pay for Company's Directors and Management. This is meant to draw highly qualified professionals to join for a long period of time.

As at December 31, 2013, the Company Directors consisted of:

- |    |                        |   |              |
|----|------------------------|---|--------------|
| 1. | The Board of Directors | 9 | consisted of |
|    | Executive Directors    | 4 |              |
|    | External Directors     | 2 |              |
|    | Independent Director   | 3 |              |
| 2. | Audit Committee        | 3 | consisted of |
|    | Independent Committee  | 3 |              |
| 3. | Executive Management   | 7 | consisted of |
|    | Company's Director     | 4 |              |
|    | Non Company's Director | 3 |              |





Company's Directors come from various direction. Executive Directors have long time experience with the Company's business whereas External Directors are specialist of art and marketing to support the operation of Executive Board. Independent Directors are Audit Committee who control and audit performance of Executive Board, which is a combination of committees and non-committee specialists to ensure that everything is in accordance with Company's policy.

## **10. SOCIAL RESPONSIBILITY**

The Company, subsidiaries and associated enhance the policy of creating quality and ethical works.

The Company's core business is providing services, being a broker and producing advertisement which means the Company must send the accurate message across to consumer. Company must be responsibility for

Customers Create awareness of consumers for clients' products.

Consumers Generate Clients' product's information to customers with accuracy - hence the product becomes an option for customers.

Partners Be available for business partners to make presentation, such as, production houses. Take into consideration the capability, price, etc. There must be at least 3 alternative houses.

Competitors Define policy of competition with ethic. The Company defines policy of ethical competition. No defamation on competitors.

Employees Fair employment with provident fund scheme for saving and security after retirement.



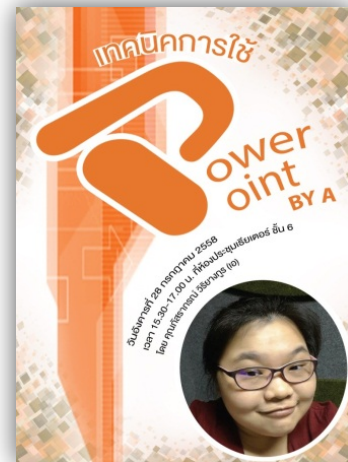
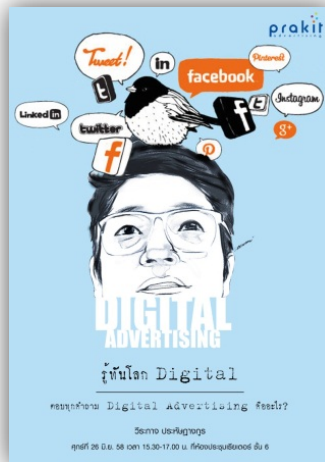
Each year, Executive of the Company will define the policy and direction of training for staff. The Human Resource team will set the topic and schedule in accord with the policy.

The Company provides joint activities among staff and staff with Management to better relations.

There is an annual party every year during which the senior management will explain the Company operation of the passing year and policy of the year to come. This has been the annual event since the Company was founded.

In the passing year, the Company arranged activities as follow:

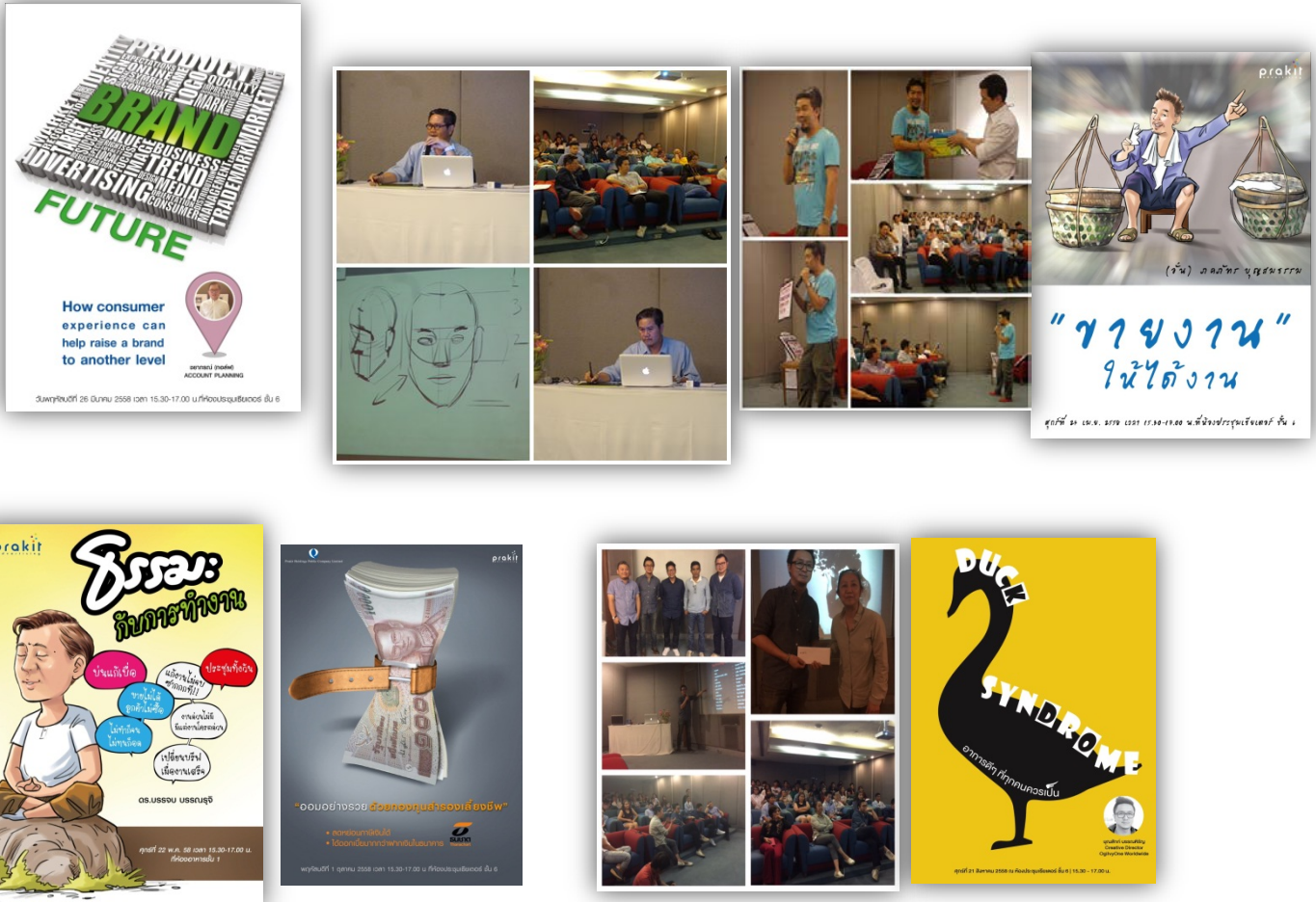
1. Arrange “Monthly Talk” activity during which specialized staff share his/her specialty with others.



2. Promote table tennis competition for good relations between the Management and employees.
3. Since Human is the best Resource of the organization, the Company support trainings so as to develop professional capability as follow :



3.1 In 2015, the company provides 5 training by outsource trainers.



3.2 Enter the Company's personnel in seminars for the development of their potential by using annual training budget.



#### 4. Create good working environment

- The Company provided canteen to service staff with fare price. Renovation was made and finished in 2015 in order to uplift quality of life for staff
- Providing transportation for the staff from the office to public transport.
- Providing recreational corners, such as, table tennis, yoga and etc.
- Providing birthday gift for employees.

#### Environmental conservation

Since the Company's product is service, Company conserves the environment by defining the policy of best utilization of resources.

#### Human Right

All advertisements must not project the image of abusing human rights, disdainful and intellectual property infringement.

#### Take part in community and social development

Providing job opportunity for people living in the vicinity of the Company and the disables. Supporting community's activities.

During 2014, Thailand faced political turmoil which affected overall economy of the country. The Company witnessed how the small business struggled for survival and planned to share advertising knowkow with the SME in need with following plan :

1. Recruit 3 SME companies
2. Strategic - marketing plan, media plan and internet advertising knowledge have been generated in the workshop sessions to the recruited SME.
3. The workshop results were gathered as data information for improvement and planning for further recruitment to come.



In 2015, the Company carried out sharing projects. Eight sessions were made by our staff at 8 academies with shared topics as, Creative advertising, Marketing communication, advertising administration, management communication, etc.





## **11. Internal Control and Risk Management**

The Board of Directors, the Audit Committee and the Executive Management reviewed internal controlling system on accounting, finance and the adequacy of the Organization control system as well as appraise, risk management policy and information technology system and agreed that internal control was adequate and effective for the type of business.

However, The Company received the comments of the Audit Committee and external auditor and took into considerations. The Board of Directors already approved to hire an internal audit company to be the Company's Internal Auditor started in 2016 onward.

## **12. Related transaction**

12.1 The Company has transactions with related companies by way of having common share holdings and/or directors and/or company managements as described below:

Relationship and name	Description	Amount'000	reason
<u>Subsidiaries</u>			
Prakit Advertising Ltd. Marketing Drive Worldwide (Thailand) Co., Ltd.	Rental income	2,627  480	The Company charges office rental per used space which base on the rate charged to other tenant.
<u>Associated</u>			
Direct Response (Thailand) Co., Ltd.		60	
<u>Associated (Indirect)</u>			
Bangkok Writer & Partners		180	
	Total	3,347	



Relationship and name	Description	Amount'000	reason	
<u>Subsidiaries</u>				
Prakit Advertising Ltd.	Administration	31,686	The Company has agreement with subsidiaries and related companies for management service. This was due to these companies are not these specialists.	
Marketing Drive Worldwide (Thailand) Co., Ltd. Limited	Income	384		
<u>Associated</u>				
Direct Response (Thailand) Co., Ltd.		96		
<u>Associated (Indirect)</u>				
Bangkok Writer & Partners		1,800		
<u>Related company</u>				
62 Graphic and Retouch Company Limited (Executive of the Company listed as Director and Shareholder)	Administration Income	120	The Company has agreement with subsidiaries and related companies for management service. This was due to these companies are not these specialists.	
	Total	34,086		



Relationship and name	Description	Amount'000	reason
<u>Subsidiary</u> Marketing Drive Worldwide (Thailand) Company Limited	Income from other services Water / Electricity bill	97	The Company has agreed with subsidiaries to charged expense based on estimated used units
<u>Associated</u> Direct Response (Thailand) Company Limited.		24	
<u>Associated (Indirect)</u> Bangkok Writer & Partners		64	
	Total	185	
<u>Subsidiary</u> Marketing Drive Worldwide (Thailand) Company Limited.	Income from Brokerage and service	90	The Subsidiaries provide creative work and marketing service to the Company.
<u>Associated (Indirect)</u> Bangkok Writer & Partners	Income from Brokerage and service	187	
<u>Related company</u> Double P Communication Co.,Ltd. (Directorship)		42	
	Total	319	





Relationship and name	Description	Amount'000	reason
<u>Subsidiaries</u>			
Prakit Advertising Ltd.	Service cost	12,476	The Subsidiaries provide creative work and marketing service to the Company in market rate. The Company has no specialist in this work.
	Expenses	3,640	
Marketing Drive	Service cost	300	
Worldwide (Thailand) Ltd.	Expenses	200	
<u>Related company</u>			
62 Graphic and Retouch Company Limited (Executive of the Company listed as Director and Shareholder)	Service cost	1,222	
	Total	17,838	
<u>Subsidiaries</u>			
Prakit Advertising Ltd.	Dividend	5,000	Dividend payment from investment in subsidiaries.
Marketing Drive	payment	1,999	
Worldwide (Thailand) Ltd.			
	Total	6,999	
<u>Associated</u>			
Sukhumvit 62 Medical Ltd.	Gain on Disposal Assets	160,300	The sales of land to associated company which determine value by an appraisal of Valuation company.
	Total	160,300	



The above-mentioned related transaction are the normal transaction among the Company, subsidiaries and related companies. The related nature of business to share resources, allows our group to maximize profit which enables the Company to pay high dividend to the shareholder.

12.2 The Company has guaranteed an overdrafts facilities and short-term loan for subsidiaries and related companies are as follow :

- The Company's fixed deposit amounted to 30 million baht has been pledged to as collateral and facilitate an overdraft of 25 million baht and bank guarantee of 5 million baht from the bank for

security of Bangkok Writer and Partners Limited.

- The Company mortgaged part of land and building, which is the office building now, to a bank as collateral for 58 million baht for 30 million baht overdrafts facilities of Praktik Advertising Limited.

The above-mentioned collateral was meant for the subsidiary to have working capital.



### **13. Financial Statement and operating results**

#### **1. Auditor Report Summary**

Auditor has audited the accompanying consolidated and separate financial statements of Prakrit Holdings Public Company Limited and its subsidiaries, and of Prakrit Holdings Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### **Management's Responsibility for the Consolidated and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of these 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Auditor responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. Auditor conducted my audit in accordance with Thai Standards on Auditing. Those standards require that auditor comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Auditor believe that the audit evidence auditor has obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In auditor's opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2015 and the financial performance and cash flows for the year then ended of Prakrit Holdings Public Company Limited and its subsidiaries, and of Prakrit Holdings Public Company Limited, respectively, in accordance with Thai Financial Reporting Standards.



## 2. Consolidated Financial Statement

The company presents the Audited Financial Statement and operating results which compare in 3 years.

### PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

#### STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015, 2014 AND 2013

Unit : Baht

ASSETS	Consolidated financial statements		
	2015	2014	2013
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	85,102,746	89,774,793	145,257,920
Current investments			
Personal fund	28,241,745	26,610,676	25,239,454
Fixed deposit	-	1,000,000	30,000,000
Others	318,751,930	251,558,612	208,123,750
Investments in securities			
Current portion of held-to-maturity debt securities	20,000,000	12,000,000	30,000,000
Trade accounts and other receivable - net	310,538,891	258,816,077	318,392,731
Other current assets	9,460,176	16,345,882	13,350,916
<b>Total current assets</b>	<b>772,095,488</b>	<b>656,106,040</b>	<b>770,364,771</b>
<b>NON-CURRENT ASSETS</b>			
Bank deposit held as collateral	32,001,000	30,000,000	30,000,000
Investments in associated and subsidiary companies	115,109,711	20,005,367	2,080,650
Other long-term investments	116,418,439	119,221,901	155,825,255
Loan to employees	350,000	520,000	410,000
Investment property	46,215,000	136,215,000	136,215,000
Property, plant and equipment	92,857,847	91,747,115	93,810,867
Intangible assets -net	22,528	3,551	20,152
Deferred tax assets	11,990,491	9,674,213	9,586,168
Other non-current assets	11,035,655	1,882,636	371,427
<b>Total non-current assets</b>	<b>426,000,671</b>	<b>409,269,783</b>	<b>428,319,519</b>
<b>TOTAL ASSETS</b>	<b>1,198,096,159</b>	<b>1,065,375,823</b>	<b>1,198,684,290</b>



PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2015, 2014 AND 2013

	Consolidated financial		
	statement		
	2015	2014	2013
<b>CURRENT LIABILITIES</b>			
Trade accounts and other payable	272,261,883	232,984,412	264,210,618
Accrued income tax	30,225,164	4,071,791	3,713,161
Other current liabilities	28,813,629	21,232,068	32,365,644
<b>Total current liabilities</b>	<b>331,300,676</b>	<b>258,288,271</b>	<b>300,289,423</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred Leasehold right	15,565,702	16,650,185	17,734,668
Employee benefit obligations	17,597,697	19,858,931	21,764,521
<b>Total non-current liabilities</b>	<b>33,163,399</b>	<b>36,509,116</b>	<b>39,499,189</b>
<b>TOTAL LIABILITIES</b>	<b>364,464,075</b>	<b>294,797,387</b>	<b>339,788,612</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital			
Authorized share capital			
99,484,000 common shares of Baht 1 each	99,484,000	99,484,000	99,484,000
Issued and fully paid - up capital			
60,000,000 common shares of Baht 1 each	60,000,000	60,000,000	60,000,000
Premium on share capital	193,568,560	193,568,560	193,568,560
Retained earnings			
Appropriated			
Legal reserve	10,000,000	10,000,000	10,000,000
Unappropriated	598,463,915	525,172,430	610,281,329
Reserve for Treasury Stock	79,460,000	79,460,000	-
Treasury Stock	(79,460,000)	(79,460,000)	-
Other components of equity	(29,700,219)	(19,621,101)	(16,448,927)
<b>Total shareholders' equity attributable</b>			
<b>to the owner of the company</b>	<b>832,332,256</b>	<b>769,119,889</b>	<b>857,400,962</b>
Non-controlling interests	1,299,828	1,458,547	1,494,716
<b>Total shareholders' equity</b>	<b>833,632,084</b>	<b>770,578,436</b>	<b>858,895,678</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1,198,096,159</b>	<b>1,065,375,823</b>	<b>1,198,684,290</b>



**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2015, 2014 AND 2013**

	Consolidated financial statement		
	2015	2014	2013
<b>REVENUES</b>			
Revenue from rendering services	207,766,076	209,001,602	233,094,707
Revenue from agency	161,041,316	132,917,200	149,261,270
Interest income	5,155,708	6,254,218	7,481,734
Dividend income	2,173,756	2,637,130	2,259,715
Management income	2,016,000	516,000	216,000
Gain from sales of investment property	103,537,770	-	-
Other revenues	5,779,965	13,987,194	14,622,417
<b>Total revenues</b>	<b>487,470,591</b>	<b>365,313,344</b>	<b>406,935,843</b>
<b>EXPENSES</b>			
Cost of rendering of services	179,854,045	177,786,406	179,264,619
Selling expenses	59,000,726	48,866,004	51,309,254
Administrative expenses	90,790,933	82,297,573	79,243,084
<b>Total expenses</b>	<b>329,645,704</b>	<b>308,949,983</b>	<b>309,816,957</b>
Profit before share of profit from investment in associated	157,824,887	56,363,361	97,118,886
Share of profit (loss) from investment in associated-equity method	1,491,574	1,124,718	273,344
<b>Profit before income tax expenses</b>	<b>159,316,461</b>	<b>57,488,079</b>	<b>97,392,230</b>
Income tax expenses	(42,828,140)	(11,297,830)	(19,613,533)
<b>Net profit for the year</b>	<b>116,488,321</b>	<b>46,190,249</b>	<b>77,778,697</b>
<b>Other comprehensive income (loss):</b>			
<b>Item that will not be reclassified to profit or loss</b>			
Actuarial gain (losses)	6,869	2,804,260.0	-
Income tax effect	(1,374)	(560,852)	-
	5,495	2,243,408	-
<b>Items that may be reclassified subsequently to profit or loss</b>			
Net change in fair value of available for sale investment	(12,538,580)	(3,993,418)	(7,692,122)
Foreign currency translation differences for foreign operation	(48,254)	22,561	3,257
Income tax on other comprehensive income	2,507,716	798,683	1,538,424
	(10,079,118)	(3,172,174)	(6,150,441)
<b>Other comprehensive income (loss) for the year, net of income tax</b>	<b>(10,073,623)</b>	<b>(928,766)</b>	<b>(6,150,441)</b>
<b>Total comprehensive income for the year</b>	<b>106,414,698</b>	<b>45,261,483</b>	<b>71,628,256</b>
<b>Profit attributable to:</b>			
Owners of the Company	116,645,990	46,307,693	77,791,610
Non-controlling interests	(157,669)	(117,444)	(12,913)
<b>Net profit for the year</b>	<b>116,488,321</b>	<b>46,190,249</b>	<b>77,778,697</b>
<b>Total comprehensive income (loss) attributable to:</b>			
Owners of the Company	106,572,367	45,378,928	71,641,169
Non-controlling interests	(157,669)	(117,444)	(12,913)
<b>Total comprehensive income for the year</b>	<b>106,414,698</b>	<b>45,261,484</b>	<b>71,628,256</b>
<b>Earnings per share (Unit :Baht)</b>			
Basic earnings per share	2.15	0.83	1.30



**PRAKTI HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGE IN SHAREHOLDERS' EQUITY (CONSOLIDATED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2015, 2014 AND 2013**

Unit : Baht

	Equity attributable to owners of the Company											
	Retained earnings						Other components of shareholders' equity			Equity attributable to owners of the Company	Non-controlling interests	Total Shareholders' equity
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Reserve for Share	stock	Fair value changes in available-for-sale investments	Currency translation differences	Total other components of equity			
<b>Balance at 1 January 2013</b>	<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>589,054,719</b>	-	-	<b>(10,263,123)</b>	<b>(35,363)</b>	<b>(10,298,486)</b>	<b>842,324,793</b>	<b>1,510,079</b>	<b>843,834,872</b>
Dividends to owners of the Company	-	-	-	(56,565,000)	-	-	-	-	-	(56,565,000)	-	(56,565,000)
Dividend to minority of the Company	-	-	-	-	-	-	-	-	-	-	(2,450)	(2,450)
Profit or loss	-	-	-	77,791,610	-	-	-	-	-	77,791,610	(12,913)	77,778,697
Other comprehensive income	-	-	-	-	-	-	(6,153,698)	3,257	(6,150,441)	(6,150,441)	-	(6,150,441)
<b>Balance at 31 December 2013</b>	<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>610,281,329</b>	-	-	<b>(16,416,821)</b>	<b>(32,106)</b>	<b>(16,448,927)</b>	<b>857,400,962</b>	<b>1,494,716</b>	<b>858,895,678</b>
<b>Balance at 1 January 2014</b>	<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>610,281,329</b>	-	-	<b>(16,416,821)</b>	<b>(32,106)</b>	<b>(16,448,927)</b>	<b>857,400,962</b>	<b>1,494,716</b>	<b>858,895,678</b>
Dividend paid	-	-	-	(54,200,000)	-	-	-	-	-	(54,200,000)	(1,400)	(54,201,400)
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	-	-	-	-	82,675	82,675
Profit or loss	-	-	-	46,307,693	-	-	-	-	-	46,307,693	(117,444)	46,190,249
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gain (losses)	-	-	-	2,243,408	-	-	-	-	-	2,243,408	-	2,243,408
Other	-	-	-	-	-	-	(3,194,735)	22,561	(3,172,174)	(3,172,174)	-	(3,172,174)
Treasury stock	-	-	-	(79,460,000)	79,460,000	(79,460,000)	-	-	-	(79,460,000)	-	(79,460,000)
<b>Balance at 31 December 2014</b>	<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>525,172,430</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(19,611,556)</b>	<b>(9,545)</b>	<b>(19,621,101)</b>	<b>769,119,889</b>	<b>1,458,547</b>	<b>770,578,436</b>
<b>Balance at 1 January 2015</b>	<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>525,172,430</b>	<b>79,460,000.00</b>	<b>-79,460,000.00</b>	<b>(19,611,556)</b>	<b>(9,545)</b>	<b>(19,621,101)</b>	<b>769,119,889</b>	<b>1,458,547</b>	<b>770,578,436</b>
Dividend paid	-	-	-	(43,360,000)	-	-	-	-	-	(43,360,000)	(1,050)	(43,361,050)
Profit or loss	-	-	-	116,645,990	-	-	-	-	-	116,645,990	(157,669)	116,488,321
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gain (losses)	-	-	-	5,495	-	-	-	-	-	5,495	-	5,495
Other	-	-	-	-	-	-	(10,030,864)	(48,254)	(10,079,118)	(10,079,118)	-	(10,079,118)
<b>Balance at 31 December 2015</b>	<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>598,463,915</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(29,642,420)</b>	<b>(57,799)</b>	<b>(29,700,219)</b>	<b>832,332,256</b>	<b>1,299,828</b>	<b>833,632,084</b>





PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015, 2014 AND 2013

	Consolidated financial		
	statement		
	2015	2014	2013
<b>Cash Flows from Operating Activities</b>			
<b>Profit for the year</b>	116,488,321	46,190,249	77,778,697
<b>Adjustment for</b>			
Depreciation	5,582,961	5,683,003	5,534,836
Amortisation of intangible assets	11,023	16,602	204,156
Doubtful debts	-	-	73,494
Bad debts recovery	(655,991)	(346,155)	(31,776)
(Gain) loss from disposal of investment property	(103,537,770)	-	-
(Gain) loss from disposal of property, plant and equipment	2,743	185,036	-
Gain on disposal of current investment and long-term investments	1,921,120	(5,189,548)	(6,354,729)
(Gain) loss on adjustment of fair value of current inv.	(2,145,977)	(3,569,491)	(2,539,031)
Provisions for employee benefits	2,557,635	2,486,970	8,854,830
Revenue from deferred lease right	(1,084,483)	(1,084,483)	(1,084,483)
Dividend income	(2,173,755)	(2,637,129)	(2,259,715)
Interest income	(5,155,708)	(6,254,218)	(7,481,734)
Other income	(1,000)	-	-
Equity in undistributed net (profit) loss of associated c	(1,491,574)	(1,124,718)	(273,344)
Unrealized (gain) loss form exchange rate	(115,660)	(17,822)	(250,298)
Income tax expense	42,828,141	11,297,830	19,613,533
	<u>53,030,026</u>	<u>45,636,126</u>	<u>91,784,436</u>
<b>Changes in operating assets and liabilities</b>			
Cash received from proceed of current investments	245,384,613	194,395,168.00	255,555,261.00
Invest in current investments	(311,704,383)	(234,321,111.00)	(220,431,096.00)
Trade and other accounts receivable - net	(50,473,806)	56,466,524	97,169,547
Other current assets	6,885,706	2,029,164	241,925
Other non current assets	(4,981,399)	(1,511,207)	125,497
Trade and other account payable	35,025,775	(21,531,031)	(47,446,782)
Other current liabilities	7,581,562	(11,133,577)	1,597,735
Employee benefit obligations	(4,812,000)	(1,588,300)	(2,786,500)
<b>Cash Provided by (used in) Operating Activities</b>	<u>(24,063,906)</u>	<u>28,441,756</u>	<u>175,810,023</u>
Income tax paid	(20,656,323)	(15,838,543)	(25,238,518)
<b>Net cash Provided by (used in) Operating Activities</b>	<u>(44,720,229)</u>	<u>12,603,213</u>	<u>150,571,505</u>



**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015, 2014 AND 2013**

	Consolidated financial		
	statement		
	2015	2014	2013
<b>Cash Flows from Investing Activities</b>			
Deposits in fixed account	(1,000,000)	31,500,000	(29,500,000)
Loaned to employees	(400,000)	(600,000)	(626,000)
Cash received from loans	510,000	515,000	831,375
Investment in associates	(150,375,000)	-	-
Cash paid for investments in joint venture	-	(16,800,000)	-
Invest in long - term investment	(33,325,451)	(30,164,818)	(53,102,847)
Cash received from selling and maturity of long-term investment	16,952,313	75,649,649	47,393,737
Purchase of property, plant and equipment	(6,777,825)	(3,955,783)	(2,696,423)
Purchase of intangible asset	(30,000)	-	-
Sale of investment property	250,300,000	-	-
Sale of property, plant and equipment	12,000	151,495	-
Dividend received	2,173,755	2,637,130	2,259,715
Interest received	5,348,306	6,537,151	7,385,957
Non-controlling interest with change in control	-	82,675	-
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>83,388,098</b>	<b>65,552,499</b>	<b>(28,054,486)</b>
<b>Cash Flows from Financing Activities</b>			
Treasury stock	-	(79,460,000)	-
Dividend paid to owners of the company	(43,360,000)	(54,200,000)	(56,565,000)
Dividend paid to non-controlling interests	(1,050)	(1,400)	(2,450)
<b>Net Cash Used in Financing Activities</b>	<b>(43,361,050)</b>	<b>(133,661,400)</b>	<b>(56,567,450)</b>
<b>Net increase (decrease) in cash and cash equivalent</b>	<b>(4,693,181)</b>	<b>(55,505,688)</b>	<b>65,949,569</b>
Cash and cash equivalent at 1 January	89,774,793	145,257,920	79,305,094
Effect of exchange rate changes on balances helds in foreign currencies	21,134	22,561	3,257
<b>Cash and Cash Equivalent at 31 December</b>	<b>85,102,746</b>	<b>89,774,793</b>	<b>145,257,920</b>
<b>Non-cash Transactions</b>			
Unutilized credit facilities for future working capital	48,400	48,400	48,400



## FINANCIAL RATIOS

<u>Liquidity Ratio Unit</u>	<u>Unit</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Current Ratio	(Times)	2.33	2.54	2.57
Quick Ratio	(Times)	2.24	2.42	2.39
Cash Flows Ratio	(Times)	(0.15)	0.05	0.47
Accounts Receivable Ratio	(Times)	6.59	6.03	5.98
Average Collection Period	(Days)	55	60	60
Account Payable Ratio	(Times)	8.41	8.18	9.08
Average Payment Period	(Days)	43	44	40
Cash Cycle	(Days)	12	16	20
 <u>Profitability Ratio</u>				
Gross Profit	(%)	13.43	14.94	23.09
Profit from recurring activities ratios	(%)	2.85	2.79	3.67
Net Profit	(%)	6.63	2.79	3.67
Return of Equity	(%)	14.54	5.68	9.14
 <u>Efficiency Ratio</u>				
Return on Assets	(%)	10.31	4.09	6.44
 <u>Financial Policy Ratio</u>				
Debt/Equity Ratio	(Times)	0.44	0.38	0.40
Interest Coverage Ratio	(Times)	none	none	none
Divident Payout Ratio	(%)	Divident hasn't been declared	93.63	77.13
 <u>Per Share Ratio</u>				
Book value per share	(Baht)	15.36	14.19	14.29
Profit from recurring activities per share	(Baht)	0.92	0.83	1.30
Earning per share	(Baht)	2.15	0.83	1.30
Divident per share	(Baht)	Divident hasn't been declared	0.80	1.00



<u>Growth Rate</u>		<u>2015</u>	<u>2014</u>	<u>2013</u>
Assets	(%)	12.46	(11.12)	(1.54)
Liabilities	(%)	23.63	(13.24)	(9.04)
Billing	(%)	5.87	(21.54)	(7.74)
Cost of services	(%)	5.87	(22.74)	(6.05)
Gross Profit	(%)	(10.58)	(42.01)	(49.55)
Revenue	(%)	28.98	(12.48)	(19.37)
Operating Expenses	(%)	14.20	0.47	(17.36)
Profit from recurring activities	(%)	8.25	(40.47)	(18.27)
Net Profit	(%)	151.89	(40.47)	(18.27)

\* Remark

Total sales (Actual Billings) is used for these ratios calculation, means advertising spending which is the same meaning as sales of goods or services.

The Company objective is for presenting the accurate financial ratios.

Revenue from agency on the Company's financial statement is the revenue from providing media strategic planning and media buying agent commission which does not include media cost. Revenue from rendering services is gross revenue from creating advertisements and cost of rendering of services is presented on expenses part.

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Billing	1,760,111	1,662,584	2,119,058
Cost of Rendering of Service	194,279	209,787	265,610
Media Cost	1,444,149	1,337,736	1,737,521

Unit : Thousand Baht



#### 14. The explanation and Analysis on Financial Status and Operating results

##### Management Discussion and Analysis on the Operating results and Financial Status

Operating results. The revenues from advertising of the company and its subsidiary companies in the year 2015 was amounting to Baht 368.8 million and there was other income Baht 15.1 million , totally Baht 383.9 million. After having deducted with costs and expenses, there was profit from recurring activities-net from income tax amounting to Baht 50.1 million. Fortunately, Prakt Holdings PCL sold an investment property at Soi Sukhumvit 62, Sukhumvit Rd. which its carrying amount was Baht 90.0 million to Sukhumvit 62 Medical Limited at Baht 250.3 million resulted in gain from sales of investment property amounting to Baht 160.3 million. Prakt Holdings PCL. held common shares of Sukhumvit 62 Medical Limited 35.41% of its authorized share capital, therefore ,it became an associated company of Prakt Holdings PCL. To conform with the basis of preparing consolidated financial statements, the intercompany gain from sales of investment property would be eliminated with the said percentage. So, gain from sales of investment property was recognized in consolidated financial statements at 64.59% of Baht 160.3 million or equal to Baht 103.5 million. After deduction of fees for transfer title deed and income tax, net gain from sales of investment property was Baht 64.9 million, including with profit from recurring activities Baht 50.1 million and share of profit from investment in associated companies Baht 1.5 million, net profit of the company's group would be Baht 116.5 million

In addition, the operating results of Prakt Holdings PCL itself or Prakt's group in the year 2015 was better than the year 2014. The details were as follows:

	<u>Unit : Million Baht</u>			
	<u>Prakit itself</u>		<u>Prakit group</u>	
	<u>Yr2015</u>	<u>Yr2014</u>	<u>Yr2015</u>	<u>Yr2014</u>
Gross revenues from advertising activities:	167.2	153.5	368.8	341.9
Profit from recurring activites-after tax	45.9	43.7	50.1	45.1



Financial status The financial structure of Prakits grup as at December 31, 2015 were as follows:

	<u>Unit : Million Baht</u>
Current assets	772.1
Non-current assets	426.0
Total assets	<u>1,198.1</u>
Current liabilities	331.3
Non-current liabilities	33.2
Total liabilities	<u>364.5</u>
Shareholder's equity	<u>833.6</u>

According to the above presentation, total liabilities was only 30.4% total assets and 43.7% of shareholders' equity. Especially, there wasn't any loan and interest obligation, including there were net profit and total comprehensive income continuously, moreover, there is a change to derive additional income in the future from the investment in Sukhumvit 62 Medical Limited. Therefore, it could be concluded that long-term financial status of Prakits group is quite sound. In addition, short-term financial status of Prakits group is also quite sound because current assets was greater than current liabilities 2.3 times and quick assets was greater than current liabilities 2.2 times while most of clients settle on time which enable the company to settle the whole current liabilities on time.

Conclusion The operating results in the year 2015 achieved the target and was better than the year 2014. Although the economic was still slowdown, clients spent advertising budgets in the year 2015 higher than the year 2014 because they didn't so worry about the politic. If the economic and politic situation in the year 2016 remain the same as the year 2015, clients wouldn't spend advertising budgets less than the year 2015. Moreover, the company will speed up to acquire new clients and expand the business to various channels.



#### **14.1 Operating results**

The company and its subsidiaries' main business is advertising agency. There are two services render to clients, i.e., producing advertising materials as well as planing and buying media for clients. The company's group would be provided budgets of both activities from clients to operate for them accordingly. However, the revenues from both activities are determined under the civil and commercial code as follows:

1. Revenue from producing advertising materials. This kind of revenue is determined under "Hire of Work" basis. Therefore, the amount of billings which charge to clients would be presented as revenue from rendering services whereas its costs would be presented separately as cost of rendering services.

2. Revenue from planing and buying media for clients This kind of revenue is determined under "Broker and Agency" basis. According to the law and accounting standard, the amount of billings charge to clients for media costs isn't agency's revenue but it is the refund of media costs which agency paid in advance for clients. Therefore, agency's revenue is only the amount of billings charge to clients for agency fees. In addition, the company's group present agency fees in the Statements of Comprehensive Income with net amount of total billings from its costs.

With reference to the above explanation, the operating results of company's group in the year 2015 are summarized through each activity as follows:

1. Main activity or advertising activity Total amount of billings charged to clients in the year 2015 was Baht 1,760.1 million whereas billings of the years 2014 and 2013 were Baht 1,662.6 and 2,119.1 million respectively. Total billings of the year 2015 increased from the year 2014 amounting to Baht 97.5 million (5.9%). The increasing was due to the existing clients spent more on media at Baht 112.7 million (8.1%) but spent less on advertising materials production at Baht 15.2 million (5.5%). In addition, the increasing amount of media billings in the year 2015 stemmed from the quantity increasing whereas most of media price remained the same. Moreover, there was no derive or loss of major client in the year 2015. However, billings of the years 2015 and 2014 decreased from the year 2013 sharply because a subsidiary company lost a major client at the end of the year 2013.

Resulting from the foregoing mentioned, the company group's revenue from producing advertising materials and revenue from planing and buying media for clients in the years 2013 thru 2015 were as follows:



1.1 Revenue from rendering services The year 2015 was Baht 207.8 million whereas the year 2014 and the year 2013 were Baht 209.0 and 233.1 million respectively. The cause of decreasing was clients spent less on advertising material production budgets as before-said.

Cost of service The year 2015 was Baht 179.9 million whereas the year 2014 and the year 2013 were Baht 177.8 and 179.3 million respectively. The causes of increasing from both years were the higher salaries and more remunerations of the relevant employees whereas the other costs varied with the revenues

Net revenue from rendering services means revenue from rendering services deduct with its costs. The year 2015 was Baht 27.9 million whereas the year 2014 and the year 2013 were Baht 31.2 and 53.8 million respectively.

1.2 Revenue from agency The year 2015 was Baht 161.1 million whereas the year 2014 and the year 2013 were Baht 132.9 and 149.3 million respectively. The cause of increasing from both years was clients spent more on media budgets as before-said. Moreover, the company could more sell to the outside clients.

Total revenues from advertising activity means net revenue from rendering services plus revenue from agency. Therefore, the year 2015 was Baht 189.0 million whereas the year 2014 and the year 2013 were Baht 164.1 and 203.1 million respectively.

2. Other recurring activities These activities are rendering management services to the affiliated companies, investing on debt and equity instruments of the listed companies in the Stock Exchange of Thailand, trading on listed securities in The Stock Exchange of Thailand and depositing at banks or financial institutions. Therefore, the revenues of these activities are as follows:

2.1 Management income The year 2015 was Baht 2.0 million whereas the year 2014 and the year 2013 were Baht 0.5 and 0.2 million respectively. The increasing on this income in the year 2015 derived from the assignment of a new partner to manage its business.

2.2 Interest income The year 2015 was Baht 5.1 million whereas the year 2014 and the year 2013 were Baht 6.3 and 7.5 million respectively. The decreasing of this income from both years was due to the maturity in the year 2015 of a part of the company's held-to-maturity debt securities while fixed deposits in average decreased in the year 2015. In addition, interest rates of bank deposits changed slightly during the year 2015.

2.3 Dividend income The year 2015 was Baht 2.2 million whereas the year 2014 and the year 2013 were Baht 2.6 and 2.3 million respectively. This income decreased slightly from both years.





2.4 Other income The year 2015 was Baht 5.8 million whereas the year 2014 and the year 2013 were Baht 14.0 and 14.6 million respectively. The decreasing of this income from both years was mostly due to the decreasing on gain from the sale of temporary and long-term investments, i.e., it was Baht 0.2 million in the year 2015 whereas the year 2014 and the year 2013 were Baht 8.7 and 8.8 million respectively.

Total revenues from other activities. The year 2015 was Baht 15.1 million whereas the year 2014 and the year 2013 were Baht 23.4 and 24.6 million respectively.

Total revenues from recurring activities means revenue from main activity, i.e., advertising activity plus revenues from other recurring activities. The year 2015 was Baht 204.1 million whereas the year 2014 and the year 2013 were Baht 187.5 and 227.7 million respectively.

Apart from the afore-mentioned revenues, followings are the summary of operating expenses which comprise of selling expenses and administrative expenses.

Selling expenses The year 2015 was Baht 59.0 million whereas the year 2014 and the year 2013 were Baht 48.8 and 51.3 million respectively. The causes of increasing from both years were the higher salaries and more remunerations of the employees in media department and client service department while other selling expenses increased slightly.

Administrative expenses (exclude fees for transfer title deed) The year 2015 was Baht 82.5 million whereas the year 2014 and the year 2013 were Baht 82.3 and 79.2 million respectively. The causes of increasing from both years were the same as those of selling expenses. However, there was elimination on a part of intercompany expenses during the year 2015.

Profit from recurring activities-before tax means total revenues from recurring activities deduct with selling and administrative expenses. The year 2015 was Baht 62.6 million whereas the year 2014 and the year 2013 were Baht 56.4 and 97.1 million respectively.

Income tax expenses Income tax rate for all 3 years was 20% equally. However, profit from recurring activities-before tax of all 3 years were adjusted slightly in order to calculate income tax expenses in accordance with the revenue code. Therefore, income tax expense for the year 2015 was Baht 12.4 million whereas that for the years 2014 and 2013 were Baht 11.3 and 19.6 million respectively.

Profit from recurring activities-after tax The year 2015 was Baht 50.1 million whereas the year 2014 and the year 2013 were Baht 45.1 and 77.5 million respectively.



3. Non-recurring activity In the year 2015, the company sold on investment property at Soi-Sukhumvit 62, Sukhumvit Rd., Bangchak, Prakanong, Bangkok which its carrying amount is Baht 90 million to Sukhumvit 62 Medical Limited, an associated company, at Baht 250.3 million. Therefore, gain from sales of investment property was Baht 160.3 million. However, it was recorded in the consolidated financial statements at the amount of Baht 64.9 million. The calculations are as follows:

Unit : Million Baht

Gain from sales of investment property in accordance with the basis of preparing- consolidated financial statements (64.59%x160.3)	103.5*
<u>Less</u> fees for transfer title deed	(8.2)
Income tax expenses (160.3-8.2)x20%	<u>(30.4)</u>
Gain from sale of investment property presented in the consolidated financial statements	<u>64.9</u>

\*Since the company held common shares of Sukhumvit 62 Medical Limited 35.41% of its authorized share capital, therefore, it became an associated company of Prakrit Holdings PCL. To conform with the basis of preparing consolidated financial statements, the intercompany gain from sales of investment property would be eliminated with the said percentage. So, gain from sales of investment property was recognized in consolidated financial statements at 64.59% of Baht 160.3 million or equal to Baht 103.5 million.

4. Investing activities in associated companies The return on this investment is share of profit (loss) from investment in associated companies-equity method. The year 2015 was Baht 1.5 million whereas the year 2014 and the year 2013 were Baht 1.1 and 0.3 million respectively. All 3 years were share of profit.

Net profit for the year The year 2015 was Baht 116.5 million whereas the year 2014 and the year 2013 were Baht 46.2 and 77.8 million respectively.

Other comprehensive income (loss) for the year, net of income tax Apart from the before-said activities, the following items would be presented under the part of other comprehensive income (loss).

1. Gain (loss) on fair value adjustment of available for sale investment All 3 years were loss, the year 2015 was Baht 12.5 million whereas the year 2014 and the year 2013 were Baht 4.0 and 7.7 million respectively. The loss in the year 2015 increased very much from both years because fair value of the holding securities at year end 2015 decreased sharply from both years.



2. Foreign currency translation differences for foreign operation The year 2015 was loss at Baht 0.05 million whereas the year 2014 was gain at Baht 0.02 million but there was no change in the year 2013. Therefore, the past 3 years were slightly differences.

3. Actuarial gains (losses) on the employee's benefit scheme. The year 2015 was gain at Baht 0.01 million whereas the year 2014 was also gain at Baht 2.8 million but it was none in the year 2013.

After having deduct tax effects from the sum of the said 3 items, other comprehensive loss for the year 2015 was Baht 10.1 million whereas the year 2014 and the year 2013 were also loss at Baht 0.9 and 6.2 million respectively.

Total comprehensive income for the year means net profit for the year plus or deduct with other comprehensive income (loss) after tax effects. The year 2015 was Baht 106.4 million whereas the year 2014 and the year 2013 were Baht 45.3 and 71.6 million respectively.

Conclusion The operating results of the year 2015 was better than the year 2014. The advertising budgets as well as revenues from advertising activities in the year 2015 were higher than those of the year 2014. Despite of the decreasing on total other recurrent activities which resulted from the decreasing on gain from the sale of investment, the offseting balance in the year 2015 was still higher than the year 2014. After having deduct selling and administrative expenses, profit from recurring activities, before or after income tax, for the year 2015 was higher than those of the year 2014. Moreover, there was additional income in the year 2015 from gain on the sale of investment property, Therefore, net profit for the year 2015 increased from the year 2014 very much (2.5 times). Although the loss on fair value adjustment of available for sale investment in the year 2015 was much higher than it was in the year 2014, it was only unrealized loss because the company haven't sold these securities. Fortunately, if the securities' fair value rebound in the near future, the said loss will decline accordingly or become to be gain. Nevertheless, total comprehensive income for the year 2015 was slightly less than it was in the year 2014 (In case of excluding gain on the sale of investment property in the year 2015) In addition, there wasn't comparing with the operating results of the year 2013 because the company hasn't yet lost a major client definitely. Therefore, the operating results of the year 2013 ought to be better than the year 2015 and the year 2014.



In addition, the consolidated comprehensive income statement could be prepared to reflect the operational results in regard to the activities as follows :

Consolidated Comprehensive Income Statement

Unit : Million Baht

Drescription	Yr 2015	Yr 2014	Yr 2013
1. Income from service	207.77	209.00	233.09
2. <u>Less</u> Cost of service	(179.85)	(177.79)	(179.26)
3. Income from service (net)	27.92	31.21	53.83
4. Agency fees	161.04	132.92	149.26
5. Total income from advertising activities	188.96	164.13	203.09
6. Management income	2.02	0.52	0.22
7. Interest income	5.16	6.25	7.48
8. Dividend income	2.17	2.64	2.26
9. Other income(gain from sale of investment)	0.22	8.69	8.80
9.1 Other income(Miscellaneous)	5.55	5.30	5.82
10. Total income from other activities	15.12	23.40	24.58
11. Total income from recurring activities	204.08	187.53	227.67
12. <u>Less</u> Selling expenses	(59.00)	(48.87)	(51.31)
13. <u>Less</u> Administrative expenses	(82.53)	(82.29)	(79.24)
14. Profit from recurring activities-before tax	62.55	56.37	97.12
15. Income tax expenses	(12.42)	(11.30)	(19.61)
16. Profit from recurring activities-after tax	50.13	45.07	77.51
17. Gain from sales of investment property	64.87	-	-
18. Share of profit from associated companies	1.49	1.12	0.27
19. Net profit for the year	116.49	46.19	77.78
20. Other comprehensive income (loss):			
21. Net change in fair value of available for sale investment	(12.54)	(3.99)	(7.69)
22. Foreign currency translation differences for foreign operation	(0.05)	0.02	-
23. Actuarial gains recognized in other comprehensive	0.01	2.80	-
24. Total other comprehensive income (loss) before income tax	(12.58)	(1.17)	(7.69)
25. Income tax on other comprehensive income (loss)	2.50	0.24	1.54
26. Other comprehensive income (loss)-net of income tax	(10.08)	(0.93)	(6.15)
27. Total comprehensive income for the year	106.41	45.26	71.63



### **Financial ratios for evaluate the operational results**

Financial ratios relevant with operating results are as follows:

#### 1. Profitability ratios

	<u>Unit</u>	<u>Yr 2015</u>	<u>Yr2014</u>	<u>Yr2013</u>
Gross Profit	(%)	13.43	14.94	23.09
Profit from recurring activities	(%)	2.85	2.71	3.67
Net Profit	(%)	6.62	2.78	3.67
Return of Equity	(%)	14.55	5.68	9.15

### **Conclusion**

1. Gross profit ratio The year 2015 was lower than the year 2014 and the year 2013, especially, income form services in the year 2013 was greater than the year 2015 and 2014 very much because the company derived service fees at fixed amount without cost every months from a major client which lost at year end.
2. Profit from recurring activities ratio The year 2015 was greater than the year 2014 but lower than the year 2013. In addition, personnel expenses increased in the years 2015 and 2014 while billings decreased which resulted from the lost of a major client as before-said.
3. Net profit ratio The year 2015 was greater than the year 2014 and the year 2013 because there was gain from sales of investment property in the year 2015 as before-said.
4. Return on equity The year 2015 was greater than the year 2014 and the year 2013 because net profit increased highly in the year 2015. In case of excluding gain from sales of investment property, this ratio would be 6.45% which still greater than the year 2014 but lower than the year 2013.

#### 2. Efficiency ratio

	<u>Unit</u>	<u>Yr2015</u>	<u>Yr2014</u>	<u>Yr2013</u>
Return on Assets	(%)	10.29	4.08	6.44

This Ratio in the year 2015 was greater than the year 2014 and the year 2013. The cause of increasing was also the same net profit ratio and return on equity. In case of excluding gain from sales of investment property, this ratio would be 4.56% which still greater than the year 2014 but lower than the year 2013.



### 3. Growth rates

	<u>Unit</u>	<u>Yr 2015</u>	<u>Yr2014</u>	<u>Yr2013</u>
Billings	(%)	5.87	(21.54)	(7.74)
Revenues from recurring activities	(%)	8.83	(17.63)	(18.96)
Operating Expenses	(%)	7.91	0.47	(17.36)
Profit from recurring activities	(%)	11.23	(41.85)	(18.11)
Net Profit	(%)	152.20	(40.62)	(18.26)

Growth rates of revenues from recurring activities of the year 2015 was higher than those of operating expenses, resulted on the increasing of growth rates of profit from recurring activities as well as net profit whereas growth rates of revenues from recurring activities decreased in the year 2014 but those of operating expenses were contrarily, while growth rates of revenues from recurring activities of the year 2013 decreased faster than those of operating expenses, therefore, growth rates of profit from recurring activities as well as growth rates of profit from recurring activities as well as net profit decreased in the year 2014 and the year 2013.

Conclusion As the above mentioned, operating results of the year 2015 were better than the year 2014 but couldn't compare with operating results of the year 2013 as before-said. However, growth rates of every items increased in the year 2015 but decreased in the year 2013.

### **14.2 Financial Status**

<u>Assets</u>	<u>Baht : million</u>		
	<u>Dec 31,2015</u>	<u>Dec 31,2014</u>	<u>Dec 31,2013</u>
Current assets	772.09	656.11	770.36
Non-current assets	<u>426.00</u>	<u>409.27</u>	<u>428.32</u>
Total	<u>1,198.09</u>	<u>1,065.38</u>	<u>1,198.68</u>



Explanations:

1. Total assets of the company and its subsidiary companies as at December 31, 2015 was Baht 1,198.09 million whereas total assets of the company and its subsidiary companies as at December 31, 2014 and December 31, 2013 were Baht 1,065.38 million and Baht 1,198.68 million respectively.
2. The Changes of assets in the year 2015 from the year 2014 were as follows:

	<u>Baht : million</u>
Cash and cash equivalent decreased	(4.67)
Investments in personal fund increased	1.63
Fixed deposit decreased	(1.00)
Other current investment increased	67.19
Current portion of held-to-maturity debt security increased	8.00
Trade and other accounts receivable increased	51.72
Other current assets decreased	(6.89)
Bank deposit held as collateral increased	2.00
Investment in associated and subsidiary companies increased	95.10
Other long-term investment decreased	(2.80)
Loan to employees decreased	(0.17)
Investment property decreased	(90.00)
Property plant and equipment increased	1.11
Intangible assets increased	0.02
Deferred income tax asset increased	2.32
Other non-current assets increased	<u>9.15</u>
Total increased	<u>132.71</u>

The above changes were summarized as follows:

1. Cash and cash equivalent decreased Baht 4.67 million. It used in operating activities Baht 44.72 million, provided from investing activities Baht 83.39 million, used in financing activities Baht 43.36 million and provided from other activities Baht 0.02 million
2. The assets which decreased significantly



- 2.1 cash and cash equivalent The causes of decreasing have been mentioned in 1
- 2.2 Investment property The cause of decreasing was the sale of an investment property to an associated company as before-said, its carrying amount is Baht 90 million.
- 2.3 Other current assets The causes of decreasing were the decreasing of value added tax and income tax paid in advance.

3. The assets which increased significantly

- 3.1 Temporary investment The cause of increasing was the more purchase of equity securities listed in the Stock Exchange of Thailand.
- 3.2 Current portion of held-to-maturity debt securities The cause of increasing was the same as that of temporary investment.
- 3.3 Trade accounts and other receivables-net The cause of increasing was the clients' spending more on media budgets whereas other receivables changed slightly.
- 3.4 Investments in associated companies and joint venture The causes of increasing was the purchase 3.0 million common shares of Sukhumvit 62 Medical Limited as Baht 300.0 million or 35.41% of its authorized share capital, however, Prakrit Holdings PCL paid only Baht 150.38 in the year 2015. Moreover, Prakrit Holdings PCL invested in common shares of Direct Response(Thailand) Limited and Bangkok Writer and Partners Company Limited at Baht 1.4 and 16.8 million respectively. However, the company has to use equity method in preparing consolidated financial statements. Consequently, the total amount of investments as at December 31, 2015 and December 31, 2014 in accordance with equity method were Baht 115.11 and 20.01 million respectively. Therefore, the value of investments increased Baht 95.1 million.

4. Other assets other assets changed slightly.

3. The quality of the significant assets are summarized as follows:

- 1. Most of clients settle on time. There average collection period in the year 2015 was 55 days which faster than both years. However, the allowance for doubtful accounts as at December 31, 2015 was Baht 14.5 million which estimated from the analysis of the clients' settlement in the past together with the expectation of the clients' repayment in the future.





2. Short-term and long-term investment consist of investment in personal fund and investment in debt and equity securities. Their total fair value as at December 31, 2015 changed from the end of last year. As at December 31, 2015 there was unrealized loss from adjustment of fair value in securities amounting to Baht 29.7 million whereas the end of the year 2014 and the year 2013 were Baht 19.6 and 16.4 million respectively.
3. The recoverable amount of PPE (property, plant and equipment) as well as investment property as at December 31, 2015 were greater than carrying amount, therefore, there was no impairment of assets.

<u>Liabilities</u>	<u>Baht : million</u>		
	<u>Dec 31,2015</u>	<u>Dec 31,2014</u>	<u>Dec 31,2013</u>
Current Liabilities	331.30	258.29	300.28
Non-current liabilities	<u>33.16</u>	<u>36.51</u>	<u>39.50</u>
Total	<u><u>364.46</u></u>	<u><u>294.80</u></u>	<u><u>339.78</u></u>

Explanation

1. Total liabilities of the company and its subsidiary companies as at December 31, 2015 was Baht 364.46 million whereas total liabilities of the company and its subsidiary companies as at December 31, 2014 and December 31, 2013 were Baht 294.80 million and Baht 339.78 million respectively.
2. The changes of liabilities in the year 2015 from the year 2014 were as follows:

	<u>Baht : million</u>
Various trade and other accounts payable increased	39.27
Accrued income tax increased	26.15
Other current liabilities increased	7.58
Employee benefit obligations decreased	(2.26)
Deferred lease right decreased	<u>(1.08)</u>
Total increased	<u><u>69.66</u></u>

The changes were summarized as follows:

1. Trade and accounts payable increased from the year 2014 because clients spent more on media budgets whereas other accounts payable changed slightly.



2. Accrued income tax increased from the year 2014 because there was gain from sales of investment property in the year 2015 amounting to Baht 160.3 million. Moreover, profit from recurring activities for the year 2015 increased from the year 2014.
3. Other current liabilities increased from the year 2014 because value added tax and withholding tax increased from the year 2014. They would be submitted to the Revenue Department on the following month
4. Employee benefit obligations decreased because there was adjustment on the calculation according to actuarial basis.
5. Deferred lease right decreased because it was transferred to income every year.

Shareholders' equity

	<u>Baht : million</u>		
	<u>Dec 31,2015</u>	<u>Dec 31,2014</u>	<u>Dec 31,2013</u>
Shareholders' equity	<u>833.63</u>	<u>770.58</u>	<u>858.90</u>

1. Shareholders' equity of the company and its subsidiary companies as at December 31, 2015 was Baht 833.63 million whereas shareholders' equity of the company and its subsidiary companies as at December 31, 2014 and December 31, 2013 were Baht 770.58 million and Baht 858.90 million respectively.
2. The changes of shareholders' equity in the year 2015 from the year 2014 were as follows:

	<u>Baht : million</u>
Total comprehensive income for the year	106.41
Dividend paid for the year	<u>(43.36)</u>
Total increased	<u>63.05</u>

Financial ratios including per share ratios and growth rates which relevant with financial status are summarized as follows:

	Unit	<u>Dec 31,2015</u>	<u>Dec 31,2014</u>	<u>Dec 31,2013</u>
Debt/Equity Ratio	(Times)	0.44	0.38	0.40
Interest Coverage Ratio	(Times)	none	none	none
Dividend Payout Ratio	(%)	Divident hasn't been declared	93.63	77.13



From the above results, these ratios for the year 2015 closed to the years 2014 and 2013 because debt-to-equity ratio for the year 2015 closed to both years. However, the financial risks for all 3 years were slightly because total debt was so little when compare with shareholders' equity, moreover, there was no short-term or long-term loans, therefore, there was no interest obligation in addition, dividend hasn't been declared for the year 2015, however, dividend paid for the year 2014 was higher than the year 2013.

## 2. Per share ratios

	Unit	<u>Dec 31,2015</u>	<u>Dec 31,2014</u>	<u>Dec 31,2013</u>
Book value per share	(Baht)	15.36	14.19	14.29
Profit from recurring activities per share	(Baht)	0.92	0.83	1.29
Earning per share	(Baht)	2.15	0.85	1.30
Dividend per share	(Baht)	Divident hasn't been declared	0.80	0.90

From the above results, these ratios for the year 2015 were higher than the years 2014 and 2013 because there was gain from sales of investment property resulted on the increasing of net profit, book value per share and earning per share. In addition, dividend per share hasn't been declared for the year 2015, however, dividend per share for the year 2014 was slightly less than the year 2013

## 3. Growth rates

	<u>Unit</u>	<u>Yr 2015</u>	<u>Yr2014</u>	<u>Yr2013</u>
Assets	(%)	12.46	(11.12)	(1.54)
Liabilities	(%)	23.63	(13.24)	(9.04)

From the above results, growth rate of total assets and total liabilities increased in the year 2015 whereas the year 2014 and 2013 were negative because clients spent advertising budgets in the year 2015 much than the year 2014 resulted on the increasing of accounts receivable and accounts payable, moreover, the company invested in temporary investment in the year 2015 much than the year 2014, therefore, current assets increased highly in the year 2015 while non-current assets increased slightly. However, growth rate of total liabilities increased much than total assets because accrued income tax increased very high in the year 2015.

Conclusion The financial status of the company and its subsidiary companies was sound because debt to equity ratio of all 3 years were closely and quite low which total liabilities was less than 50% of shareholders' equity , especially, there wasn't any loan and interest obligation. Moreover, the company's group had net profit



continuously, Although there were losses on fair value adjustment of available for sale investment in some years but there were total comprehensive income every years. Consequently, shareholders' equity increased every years except the year 2014 because there was repurchase a part of common stock from the shareholders resulted in the diminishing of shareholders' equity, however, it was recovered by gain from sales of investment property in the year 2015. As the above reasoning, book value per share of the company's group increased consecutively except in the year 2014 as before-said.

### **14.3 Liquidity**

#### Liquidity ratios

	Unit	<u>Dec 31,2015</u>	<u>Dec 31,2014</u>	<u>Dec 31,2013</u>
Current Ratio	(Times)	2.33	2.54	2.57
Quick Ratio	(Times)	2.24	2.42	2.39
Cash Flows Ratio	(Times)	0.15	0.05	0.47
Accounts Receivable turnover	(Times)	6.59	6.03	5.98
Average Collection Period	(Days)	55	60	60
Account Payable turnover	(Times)	8.41	8.18	9.08
Average Payment Period	(Days)	43	44	40
Cash Cycle	(Days)	12	16	20

Conclusion The liquidity for the year 2015 closed to the year 2014 and 2013 because the liquidity ratio, i.e., current ratio, quick ratio, cash flows ratio, accounts receivable turnover ratio, average collection period, accounts payable turnover ratio, average payment period and cash cycle for the year 2015 closed to both years. Moreover, the liquidity of all 3 years were favorable because the amount of current assets and quick current assets larger than current liabilities about 2 times which enough to settle the whole current liabilities on time. In addition, cash cycle for the year 2014 was only 12 days.



## Detail of Director and Executive Management

### 1. Detail of Director and Executive Management

Name-Position	Age	Qualification in Education	Company share portion %	Family relationship of directors	Working experience in 5 years		
					Period	Position	Company's Name
1. Mr.Prakit Apisarnthanarax Executive President and Authorized Director	77	BA in Economic Thammasart University	8.17% voting right common stock	Father of Mr.Apirak Apisarnthanarak Authorized Directors	1986-present        1978-1986  1974-1978  1964-1974	President   Director     President  Controller and Media Director  Media Director	Prakit Holdings Plc. Prakit & Associate Co.,Ltd. Prakit Advertising Ltd. Golden Sound Studio Limited Marketing Drive Worldwide (Thailand) Co.,Ltd. Impact Video Production Limited Prakit & Associate Co.,Ltd. Diethelm Advertising Co.,Ltd. Diethelm Co., Ltd.
2. Phisal Prahasdangkura Executive Vice President and Authorized Director	71	B.A. in Mass Communication Miami Colledge USA	0.12% of voting right common stock	No	1986-present    1977-1986  1974-1977  1972-1974	Vice President Director  Vice President  Product Manager  Product Manager	Prakit Holdings Plc. Prakit Advertising Ltd. Marketing Drive Worldwide (Thailand) Co.,Ltd. Prakit & Associates Co.,Ltd. Warner-Lambert (Thailand) Co.,Ltd. Bristol Myers (Thailand) Co.,Ltd.
3. Mr.Preecha Chaochotechuang Director and Authorized Director	68	B.A. in Business Ohio Colledge USA Marketing Management Certificate Lausanne Switzerland	0.19% of voting right common stock	No	Present 1986-2007 1980-1984 1975-1980 1970-1975	Director Managing Director Deputy Managing Director Marketing Director Marketing Trainer	Prakit Holdings Plc. Prakit Holdings Plc. Lintas Co.,Ltd. Fedderst Co.,Ltd. Diethelm Co., Ltd.



Name-Position	Age	Qualification in Education	Company share portion %	Family relationship of directors	Working experience in 5 years		
					Period	Position	Company's Name
4. Mr. Vichien Nakintanon Director	67	High School Vatrangbua School	-	No	Present 1986-2001 1978-1986 1968-1978 1965-1968	Director Deputy Managing Director Deputy Managing Director Artist Artist	Prakit Holdings Plc. Prakit Holdings Plc. Prakit & Associates Co.,Ltd. Diethelm Co., Ltd. Loxley (Thailand) Co.,Ltd.
5. Mr.Sommanous Na Bangchang Audit Committee and Independent Director	67	MBA Southeastern Oklahoma State University	-	No	Dec 1999- Present 1999-2002 1988-1998 1978-1988 1975-1978 1973-1974	Independent Director Audit Committee Consultant of Finance Finance Director Executive Manager Internal Audit Internal Audit	Prakit Holdings Plc. Thoranee Pipat Co.,Ltd. Prakit Holdings Plc. Diethelm Advertising Co.,Ltd. IFCT TOT
6. Dr. Pichai Charnsupharindr Audit Committee and Independent Director	72	B.A. in Economic Thammasart University Master Degree University of the Philippines Ph.D. in Economics University of the Philippines	-	No	Present 1965-2003	Independent Director Director Consultant Consultant A Dean of Faculty Vice Rector President Director and Secretary	Prakit Holdings Plc. Thammasart Association Thammasart University The Feceration of Saving of Thailand Limited The Saving Cooperative of Thammasart University Faculty of Economics Thammasart University Planning and Development Department Thammasart University The Saving Cooperative of Thammasart University The Professor Council of Thammasart University Anandamahidol Foundation



Name-Position	Age	Qualification in Education	Company share portion %	Family relationship of directors	Working experience in 5 years		
					Period	Position	Company's Name
7. Dr. Manoon Pahirah Independent Director and Audit Committee	77	Bachelor Degree of Economic Thammasart University Master Degree (ECON) University of the Philippines Ph.D. (ECON) University of Hawaii	-	No	Present	Independent Director Audit Committee Vice President of Sub-Committee	Prakit Holdings Plc. Office of the National Counter Corruption Commission
					2004-Present	Rector Advisor	Krirk University
					2001-2004	Rector	Krirk University
					1999-2001	Dean of Pundit Institute	Thammasart University
8. Ms. Wichuda Grairithikul Finance Director Company Secretary and Audit Committee Secretary	57	B.A.in Accounting Thammasart University Master degree in Accounting Thammasart University	0.81% voting right common stock	No	1999-Present	Finance Director	Prakit Holdings Plc.
					1996-1999	Deputy of Finance Director	Prakit Holdings Plc.
					1994-1996	Finance Manager	Magnus Nangervis & Curl/FCB Ltd.
					1988-1994	Finance Manager	GSI Travel Co.,Ltd.
					1981-1987	Assistant Accounting Manager	White Group Plc.
9. Mrs.Siriorn Chernpipat Executive Media Director	52	B.A. in Mass Communication Thammasart University	-	No	1993-Present	Executive Media Director	Prakit Holdings Plc.
					1990-1993	Media Manager	Prakit & FCB Co.,Ltd.
					1987-1990	Media Planner	Prakit & FCB Co.,Ltd.
10. Mrs. Charuwan Kulyanamitr Human Resources Director	61	B.A. in Business Ramkhamhaeng University	-	No	1993-Present	Human Resources Director	Prakit Holdings Plc.
					1980-1993	Human Resources Manager	Pan Asia Co.,Ltd.
11. Mr.Anucha Viriyachai Managing Director and Authorized Director	61	Bachelor Degree of Economic Thammasart University MBA Ohio University	-	No	Present	Managing Director Director Chief Executive Officer	Prakit Holdings Plc. Marketing Drive Worldwide (Thailand) Ltd. Prakit Advertising Ltd.
					2001-2008	General Manager Client Service	Prakit Advertising Ltd.
					1999-2000	Sr.Vice President- Consumer Products Division	Berli Jucker Plc.



Name-Position	Age	Qualification in Education	Company share portion %	Family relationship of directors	Working experience in 5 years		
					Period	Position	Company's Name
11. Mr.Anucha Viriyachai Managing Director and Authorized Director		Bachelor Degree of Economic Thammasart University MBA Ohio University	-	No	1995-1999	Sr.Vice President- Personal Care and Toiletries Division (PCTD)	Berli Jucker Plc.
					1992-1995	Vice President Personal Care Products Division	Berli Jucker Plc.
12.Mr.Apirak Apisantharak Director and Authorized Director	44	BBA in Marketing and Management of Information System MBA at The University of North Carolina Chapel Hill	4.35% of voting right common stock	President's son	Present	Director Director	Prakit Holdings Plc. Marketing Drive Worldwide (Thailand) Ltd.
					2001-2007	Managing Director Strategic Planning Director/Business Director	Prakit Advertising Ltd. Prakit Advertising Ltd.
					1999-2001	Strategic Planning Analyst,	FCB Worldwide (New York)
					1997-1997	Marketing Associate	Colgate-Plamolive (Thailand) Ltd.





**Details of Subsidiaries Director**

Name of Director	PRAKIT HOLDINGS PCL	Subsidiary Company				Related Companies		Others Company				
		PRAKIT/FCB (CAMBODIA)	PRAKIT ADVERTISING	MARKETING DRIVE WORLDWIDE	Prakit Advertising (Myanmar)	DIRECT RESPONSE	Bangkok Writer and Partners	GOLDEN SOUND STUDIO	IMPACT VEDIO PRODUCTION	PRAKIT & ASSOCIATE	62 Graphic & Retouch	Double P Marketing
Mr. Prakit Apisanthanarax	B, A, C	A, C	A, C	C		-	-	A, C	A, C	A, C		
Mr. Phisal Prahasdangkura	B, C		C	C				C				
Mr. Pheecha Chaotechuang	C											A,C
Mr. Sommanous Na Bangchang	F, G											
Dr. Pichai Charnsupharindr	F,G											
Ms. Wichuda Grairithikul	B		B		C		C				B, C	
Mr. Anucha Viriyachai	B,D		B,C,H	B,C								
Mr. Apirak Apisanthanarak	B,C		B,C,D	B,C	C		C				C	
Mr. Vichien Nakintanond	C											
Mrs. Charuwan Kulyanamitr	B										B, C	
Mrs. Siriorn Chernpipat	B		B		C							
Dr. Manoon Pahirah	F, G											

A = President

B = Executive Board

C = Director

E = General Manager

F = Audit Committee

G = Independent Director

H = Chief Executive Officer

D=Managing Director



Report of number of share held by Directors and executives as at December 31, 2015

Name	2014		Increase/ Decrease	2015 Total	%	2015	
	Director	Spouse				Director	Spouse
1. Mr.Prakit Apisarnthanarax	4,899,900.00	500,000.00	(500,000.00)	4,899,900.00	8.17	4,899,900.00	-
2. Mr.Phisal Prahasdadangkura	23,000.00	55,000.00	(9,000.00)	69,000.00	0.12	23,000.00	46,000.00
3. Mr.Preecha Chaochotechuang	363,000.00	112,000.00	(363,000.00)	112,000.00	0.19	-	112,000.00
4. Mr. Vichien Nakintanond	-	-	-	-	-	-	-
5. Mr.Sommanous Na Bangchang	-	-	-	-	-	-	-
6. Dr.Pichai Charnsupharindr	69,800.00	-	(69,800.00)	-	-	-	-
7. Dr.Manoon Pahirah	-	2,600.00	(2,600.00)	-	-	-	-
8. Mr.Anucha Viriyachai	-	-	-	-	-	-	-
9. Mr.Apirak Apisarnthanarak	2,552,993.00	-	55,800.00	2,608,793.00	4.35	2,608,793.00	-
10. Ms.Wichuda Grairithikul	684,200.00	-	(200,000.00)	484,200.00	0.81	484,200.00	-
11. Mrs.Siriorn Chernpipat	-	-	-	-	-	-	-
12. Ms.Charuwan Kulyanamitr	-	-	-	-	-	-	-



**Prakit Holdings Public Company Limited.**

**And its subsidiaries**

Financial Statements and Independent Auditor's report

1 January 2015 to 31 December 2015

## **Independent Auditor's Report**

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

I have audited the accompanying consolidated and separate financial statements of Prakt Holdings Public Company Limited and its subsidiaries, and of Prakt Holdings Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Management's Responsibility for the Consolidated and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of these 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

/ An audit involves performing

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2015 and the financial performance and cash flows for the year then ended of Prakt Holdings Public Company Limited and its subsidiaries, and of Prakt Holdings Public Company Limited, respectively, in accordance with Thai Financial Reporting Standards.



(Mr. Pornchai Kittipanya-ngam)

Certified Public Accountant

Registration No. 2778

Bunchikij Co., Ltd.

Bangkok

24 February 2016

## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Statements of Financial Position

As at 31 December 2015

Unit : Baht

ASSETS	Note	Consolidated financial statements		Separate financial statements	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	85,102,746	89,774,793	33,073,494	42,801,365
Current investments					
Personal fund	6	28,241,745	26,610,676	28,241,745	26,610,676
Fixed deposit		-	1,000,000	-	1,000,000
Others	7	318,751,930	251,558,612	295,589,935	229,417,651
Investments in securities					
Current portion of held-to-maturity debt securities	7	20,000,000	12,000,000	20,000,000	10,000,000
Trade accounts and other receivable - net	4.2 and 8	310,538,891	258,816,077	234,537,945	177,970,526
Other current assets		9,460,176	16,345,882	5,386,123	5,592,905
<b>Total current assets</b>		<b>772,095,488</b>	<b>656,106,040</b>	<b>616,829,242</b>	<b>493,393,123</b>
<b>NON-CURRENT ASSETS</b>					
Bank deposit held as collateral	9	32,001,000	30,000,000	32,001,000	30,000,000
Investments in joint ventures associated and subsidiary companies	10	115,109,711	20,005,367	165,045,481	14,670,481
Other long-term investments	7	116,418,439	119,221,901	116,418,439	119,221,901
Loan to employees	11	350,000	520,000	300,000	305,000
Investment property	12	46,215,000	136,215,000	46,215,000	136,215,000
Property, plant and equipment	13	92,857,847	91,747,115	92,197,714	90,818,311
Intangible assets -net		22,528	3,551	22,525	3,548
Deferred tax assets	14	11,990,491	9,674,213	8,675,867	6,185,647
Other non-current assets		11,035,655	1,882,636	-	-
<b>Total non-current assets</b>		<b>426,000,671</b>	<b>409,269,783</b>	<b>460,876,026</b>	<b>397,419,888</b>
<b>TOTAL ASSETS</b>		<b>1,198,096,159</b>	<b>1,065,375,823</b>	<b>1,077,705,268</b>	<b>890,813,011</b>

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

## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Statements of Financial Position (Continued)

As at 31 December 2015

Unit : Baht

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	Consolidated financial financial statements		Separate financial financial statements	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>CURRENT LIABILITIES</b>					
Trade accounts and other payable	15	272,261,883	232,984,412	211,036,679	176,111,532
Accrued income tax		30,225,164	4,071,791	30,225,164	4,071,791
Other current liabilities		28,813,629	21,232,068	18,575,889	11,750,678
<b>Total current liabilities</b>		<b>331,300,676</b>	<b>258,288,271</b>	<b>259,837,732</b>	<b>191,934,001</b>
<b>NON-CURRENT LIABILITIES</b>					
Deferred Leasehold right	16	15,565,702	16,650,185	15,565,702	16,650,185
Employee benefit obligations	17	17,597,697	19,858,931	6,061,041	7,014,875
<b>Total non-current liabilities</b>		<b>33,163,399</b>	<b>36,509,116</b>	<b>21,626,743</b>	<b>23,665,060</b>
<b>TOTAL LIABILITIES</b>		<b>364,464,075</b>	<b>294,797,387</b>	<b>281,464,475</b>	<b>215,599,061</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital					
Authorized share capital					
99,484,000 common shares of Baht 1 each	18	99,484,000	99,484,000	99,484,000	99,484,000
Issued and fully paid - up capital					
60,000,000 common shares of Baht 1 each	18	60,000,000	60,000,000	60,000,000	60,000,000
Premium on share capital	19	193,568,560	193,568,560	193,568,560	193,568,560
Retained earnings					
Appropriated					
Legal reserve	19	10,000,000	10,000,000	10,000,000	10,000,000
Unappropriated		598,463,915	525,172,430	562,314,653	431,256,946
Reserve for Treasury Share		79,460,000	79,460,000	79,460,000	79,460,000
Treasury stock	24	(79,460,000)	(79,460,000)	(79,460,000)	(79,460,000)
Other components of equity	19	(29,700,219)	(19,621,101)	(29,642,420)	(19,611,556)
<b>Total shareholders's equity attributable to the owner of the company</b>		<b>832,332,256</b>	<b>769,119,889</b>	<b>796,240,793</b>	<b>675,213,950</b>
Non-controlling interests		1,299,828	1,458,547	-	-
<b>Total shareholders' equity</b>		<b>833,632,084</b>	<b>770,578,436</b>	<b>796,240,793</b>	<b>675,213,950</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,198,096,159</b>	<b>1,065,375,823</b>	<b>1,077,705,268</b>	<b>890,813,011</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 2015

Unit : Baht

	Note	Consolidated financial		Separate financial	
		statements		statements	
		2015	2014	2015	2014
<b>REVENUES</b>					
Revenue from rendering services	20	207,766,076	209,001,602	66,711,027	75,662,519
Revenue from agency	20	161,041,316	132,917,200	100,497,372	77,783,222
Interest income		5,155,708	6,254,218	4,945,321	5,605,961
Dividend income		2,173,756	2,637,130	9,172,705	22,635,730
Management income	4.1	2,016,000	516,000	34,085,994	32,420,970
Gain from sales of investment property	12	103,537,770	-	160,300,000	-
Other revenues	4.1	5,779,965	13,987,194	6,170,057	14,178,747
<b>Total revenues</b>		<b>487,470,591</b>	<b>365,313,344</b>	<b>381,882,476</b>	<b>228,287,149</b>
<b>EXPENSES</b>					
Cost of rendering of services	22	179,854,045	177,786,406	63,158,778	73,777,337
Selling expenses		59,000,726	48,866,004	37,737,178	29,718,956
Administrative expenses		90,790,933	82,297,573	65,065,938	50,597,024
<b>Total expenses</b>		<b>329,645,704</b>	<b>308,949,983</b>	<b>165,961,894</b>	<b>154,093,317</b>
Profit before share of profit from investment in associated		157,824,887	56,363,361	215,920,582	74,193,832
Share of profit (loss) from investment in associatec - equity method		1,491,574	1,124,718	-	-
<b>Profit before income tax expenses</b>		<b>159,316,461</b>	<b>57,488,079</b>	<b>215,920,582</b>	<b>74,193,832</b>
Income tax expenses	23	(42,828,140)	(11,297,830)	(41,385,124)	(10,472,544)
<b>Net profit for the year</b>		<b>116,488,321</b>	<b>46,190,249</b>	<b>174,535,458</b>	<b>63,721,288</b>
<b>Other comprehensive income (loss):</b>					
<b>Item that will not be reclassified to profit or loss</b>					
Actuarial gain (losses)		6,869	2,804,260	(147,189)	(947,172)
Income tax effect		(1,374)	(560,852)	29,438	189,435
		5,495	2,243,408	(117,751)	(757,737)
<b>Items that may be reclassified subsequently to profit or loss</b>					
Net change in fair value of available for sale investment		(12,538,580)	(3,993,418)	(12,538,580)	(3,993,418)
Foreign currency translation differences for foreign operator		(48,254)	22,561	-	-
Income tax on other comprehensive income		2,507,716	798,683	2,507,716	798,683
		(10,079,118)	(3,172,174)	(10,030,864)	(3,194,735)
<b>Other comprehensive income (loss) for the year, net of income tax</b>		<b>(10,073,623)</b>	<b>(928,766)</b>	<b>(10,148,615)</b>	<b>(3,952,472)</b>
<b>Total comprehensive income for the year</b>		<b>106,414,698</b>	<b>45,261,483</b>	<b>164,386,843</b>	<b>59,768,816</b>
<b>Profit attributable to:</b>					
Owners of the Company		116,645,990	46,307,693	174,535,458	63,721,288
Non-controlling interests		(157,669)	(117,444)	-	-
<b>Net profit for the year</b>		<b>116,488,321</b>	<b>46,190,249</b>	<b>174,535,458</b>	<b>63,721,288</b>
<b>Total comprehensive income (loss) attributabtle to:</b>					
Owners of the Company		106,572,367	45,378,927	164,386,843	59,768,816
Non-controlling interests		(157,669)	(117,444)	-	-
<b>Total comprehensive income for the year</b>		<b>106,414,698</b>	<b>45,261,483</b>	<b>164,386,843</b>	<b>59,768,816</b>
<b>Earnings per share (Unit :Baht)</b>					
Basic earnings per share	25	2.15	0.83	3.22	1.14

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



**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Statements of Change in Shareholders' Equity (Consolidated financial statements)**  
**For the year ended 31 December 2015**

Unit : Baht

		Equity attributable to owners of the Company																	
		Retained earnings					Other components of shareholders' equity												
		Issued and paid-up share capital		Legal reserve		Reserve for Treasury Share		Fair value changes in available-for-sale investments		Currency translation differences		Total other components of equity		Equity attributable to owners of the Company		Non-controlling interests		Total Shareholders' equity	
Note		share capital	Share premium	reserve	Unappropriated	Treasury Share	Treasury stock	investments	differences	equity	the Company	interests	equity	Shareholders' equity	equity	equity	equity	equity	equity
	<b>Balance at 1 January 2014</b>	<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>610,281,329</b>	-	-	<b>(16,416,821)</b>	<b>(32,106)</b>	<b>(16,448,927)</b>	<b>857,400,962</b>	<b>1,494,716</b>	<b>858,895,678</b>						
	Dividend paid	-	-	-	(54,200,000)	-	-	-	-	-	(54,200,000)	(1,400)	(54,201,400)						
	Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	-	-	-	-	82,675	82,675						
	Profit or loss	-	-	-	46,307,693	-	-	-	-	-	46,307,693	(117,444)	46,190,249						
	Other comprehensive income																		
	Actuarial gain (losses)	-	-	-	2,243,408	-	-	-	-	-	2,243,408	-	2,243,408						
	Other	-	-	-	-	-	-	(3,194,735)	22,561	(3,172,174)	(3,172,174)	-	(3,172,174)						
	Treasury stock	-	-	-	(79,460,000)	79,460,000	(79,460,000)	-	-	-	(79,460,000)	-	(79,460,000)						
	<b>Balance at 31 December 2014</b>	<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>525,172,430</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(19,611,556)</b>	<b>(9,545)</b>	<b>(19,621,101)</b>	<b>769,119,889</b>	<b>1,458,547</b>	<b>770,578,436</b>						
	<b>Balance at 1 January 2015</b>	<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>525,172,430</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(19,611,556)</b>	<b>(9,545)</b>	<b>(19,621,101)</b>	<b>769,119,889</b>	<b>1,458,547</b>	<b>770,578,436</b>						
	Dividend paid	-	-	-	(43,360,000)	-	-	-	-	-	(43,360,000)	(1,050)	(43,361,050)						
	Profit or loss	-	-	-	116,645,990	-	-	-	-	-	116,645,990	(157,669)	116,488,321						
	Other comprehensive income																		
	Actuarial gain (losses)	-	-	-	5,495	-	-	-	-	-	5,495	-	5,495						
	Other	-	-	-	-	-	-	(10,030,864)	(48,254)	(10,079,118)	(10,079,118)	-	(10,079,118)						
	<b>Balance at 31 December 2015</b>	<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>598,463,915</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(29,642,420)</b>	<b>(57,799)</b>	<b>(29,700,219)</b>	<b>832,332,256</b>	<b>1,299,828</b>	<b>833,632,084</b>						

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

## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Statements of Change in Shareholders' Equity (Separate financial statements)

For the year ended 31 December 2015

Unit : Baht

	Note	Issued and paid-up share capital	Share premium	Retained earnings			Other components of equity	Total Shareholders' equity	
				Legal reserve	Unappropriated	Reserve for Treasury Share	Treasury stock		Fair value changes in available-for-sale investments
<b>Balance at 1 January 2014</b>		<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>501,953,395</b>	-	-	<b>(16,416,821)</b>	<b>749,105,134</b>
Dividend	26	-	-	-	(54,200,000)	-	-	-	(54,200,000)
Profit or loss		-	-	-	63,721,288	-	-	-	63,721,288
Other comprehensive income		-	-	-	-	-	-	-	-
Actuarial gain (losses)		-	-	-	(757,737)	-	-	-	(757,737)
Other		-	-	-	-	-	-	(3,194,735)	(3,194,735)
Treasury Stock	24	-	-	-	(79,460,000)	79,460,000	(79,460,000)	-	(79,460,000)
<b>Balance at 31 December 2014</b>		<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>431,256,946</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(19,611,556)</b>	<b>675,213,950</b>
<b>Balance at 1 January 2015</b>		<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>431,256,946</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(19,611,556)</b>	<b>675,213,950</b>
Dividend	26	-	-	-	(43,360,000)	-	-	-	(43,360,000)
Profit or loss		-	-	-	174,535,458	-	-	-	174,535,458
Other comprehensive income		-	-	-	-	-	-	-	-
Actuarial gain (losses)		-	-	-	(117,751)	-	-	-	(117,751)
Other		-	-	-	-	-	-	(10,030,864)	(10,030,864)
<b>Balance at 31 December 2015</b>		<b>60,000,000</b>	<b>193,568,560</b>	<b>10,000,000</b>	<b>562,314,653</b>	<b>79,460,000</b>	<b>(79,460,000)</b>	<b>(29,642,420)</b>	<b>796,240,793</b>

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 2015

Unit : Baht

Note	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Cash flows from operating activities</b>				
Profit for the year	116,488,321	46,190,249	174,535,458	63,721,288
<i>Adjustment for</i>				
Depreciation	13	5,582,961	5,683,003	5,244,753
Amortisation of intangible assets		11,023	16,602	11,023
Bad debts recovery		(655,991)	(346,155)	(655,991)
(Gain) loss from disposal of investment property	12	(103,537,770)	-	(160,300,000)
(Gain) loss from disposal of property, plant and equipment		2,743	185,036	-
(Gain) loss on disposal of current investment and long-term investments		1,921,120	(5,189,548)	556,738
Unrealized gain on change in value of investments		(2,145,977)	(3,569,491)	(562,305)
Provisions for employee benefits	17	2,557,635	2,486,970	772,977
Revenue from deferred lease right	16	(1,084,483)	(1,084,483)	(1,084,483)
Dividend income		(2,173,755)	(2,637,129)	(9,172,706)
Interest income		(5,155,708)	(6,254,218)	(4,945,321)
Other income		(1,000)	-	(1,000)
Equity in undistributed net (profit) loss of associated companies		(1,491,574)	(1,124,718)	-
Unrealized (gain) loss from exchange rate		(115,660)	(17,822)	-
Income tax expense		42,828,141	11,297,830	41,385,124
		53,030,026	45,636,126	45,784,267
<b>Changes in operating assets and liabilities</b>				
Cash received from proceed of current investments	7	245,384,613	194,395,168	226,186,358
Invest in current investments	7	(311,704,383)	(234,321,111)	(291,704,382)
Trade accounts and other receivable		(50,473,806)	56,466,524	(55,389,295)
Other current assets		6,885,706	2,029,164	206,783
Other non current assets		(4,981,399)	(1,511,207)	-
Trade accounts and other payable		35,025,775	(21,531,031)	30,673,451
Other current liabilities		7,581,562	(11,133,577)	6,825,210
Employee benefit obligations		(4,812,000)	(1,588,300)	(1,874,000)
Cash provided by (used in) operating activities		(24,063,906)	28,441,756	(39,291,608)
Income tax paid		(20,656,323)	(15,838,543)	(15,184,817)
<b>Net Cash provided by (used in) operating activities</b>		<b>(44,720,229)</b>	<b>12,603,213</b>	<b>(54,476,425)</b>

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

## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Statements of Cash Flows (Continued)

For the year ended 31 December 2015

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<b>Cash flows from investing activities</b>					
Deposit in fixed account		(1,000,000)	31,500,000	(1,000,000)	(1,000,000)
Loans to employees	11	(400,000)	(600,000)	(400,000)	(400,000)
Cash received form loans	11	510,000	515,000	325,000	275,000
Investments in subsidiary company		-	-	-	(744,075)
Investments in associates	10	(150,375,000)	-	(150,375,000)	-
Cash paid for investments in joint ventures.	10	-	(16,800,000)	-	-
Invest in long - term investments		(33,325,451)	(30,164,818)	(33,325,451)	(30,164,818)
Cash received from selling and maturity of long-term investments		16,952,313	75,649,649	14,952,313	75,649,649
Purchase of property, plant and equipment	13	(6,777,825)	(3,955,783)	(6,624,156)	(3,273,838)
Purchase of intangible asset		(30,000)	-	(30,000)	-
Sale of investment property	12	250,300,000	-	250,300,000	-
Sale of property, plant and equipment		12,000	151,495	-	150,654
Dividend received		2,173,755	2,637,130	9,172,706	22,635,730
Interest received		5,348,306	6,537,151	5,113,142	5,832,040
Non-controlling interests with change in control		-	82,675	-	-
<b>Net cash provided by (used in) investing activities</b>		<b>83,388,098</b>	<b>65,552,499</b>	<b>88,108,554</b>	<b>68,960,342</b>
<b>Cash flows from financing activities</b>					
Treasury stock	24	-	(79,460,000)	-	(79,460,000)
Dividend paid	26	(43,360,000)	(54,200,000)	(43,360,000)	(54,200,000)
Dividends paid to non-controlling interests		(1,050)	(1,400)	-	-
<b>Net cash provided by (used in) financing activities</b>		<b>(43,361,050)</b>	<b>(133,661,400)</b>	<b>(43,360,000)</b>	<b>(133,660,000)</b>
<b>Net increase (decrease) in cash and cash equivalent</b>		<b>(4,693,181)</b>	<b>(55,505,688)</b>	<b>(9,727,871)</b>	<b>(78,267,513)</b>
Cash and cash equivalent at 1 January		89,774,793	145,257,920	42,801,365	121,068,878
Effect of exchange rate changes on balances held in foreign currencies		21,134	22,561	-	-
<b>Cash and cash equivalent at 31 December</b>	5	<b>85,102,746</b>	<b>89,774,793</b>	<b>33,073,494</b>	<b>42,801,365</b>
<b>Non-cash transactions</b>					
Unutilized credit facilities for future working capital		48,400,000	48,400,000	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 Financial Statements (Consolidated and the separate financial statements)**  
**For the year ended 31 December 2015**

**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 shareholders for the year were Prakit and Associated Co., Ltd (held 24.68%) which is incorporated in Thailand.

The principal business of the Company and its subsidiaries (the “Group”) are engaged in advertising production, media agency, investing business and providing the management service to subsidiary and associated companies. Details of the Company’s subsidiaries as at 31 December 2015 and 2014 or disclosed in note to financial statements 10

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

2.1 The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles, which are issued under the Accounting Professions Act B.E.2547, and have been presented under the Accounting Act B.E. 2543, and according to the requirements of the Securities and Exchange Commission, and the regulation of the Stock Exchange of Thailand.

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

2.3 New Financial Reporting Standards

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

The Company and its subsidiaries has adopted the Thai Financial Reporting Standards that are effective for annual periods beginning on or after 1 January 2015. The adoption of these Thai Financial Reporting Standards does not have any significant impact on the Company’s and its subsidiaries financial statements.

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

The Financial Reporting Standards which are effective for accounting periods beginning on or after January 1, 2016, as follow:

**Conceptual Framework for Financial Reporting (revised 2015)**

**Thai Financial Reporting Standards**

TFRS 2 (revised 2015)	Share – based Paymant
TFRS 3 (revised 2015)	Business Combinations
TFRS 4 (revised 2015)	Insurance Contracts
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
<b>Accounting Standards</b>	
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Event After the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefit
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2015)	Earnings Per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TAS 41	Agriculture
<b>Financial Reporting Standard Interpretations</b>	
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (revised 2015) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2015)	Service Concession Arrangements
TFRIC 13 (revised 2015)	Customer Loyalty Programmes

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

TFRIC 14 (revised 2015)	TAS 19 (revised 2015) <i>Employee Benefits</i> - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2015)	Transfers of Assets from Customers
TFRIC 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies
<b>Accounting Standard Interpretations</b>	
TSIC 10 (revised 2015)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2015)	Operating Leases - Incentives
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (revised 2015)	Disclosure - Service Concession Arrangements
TSIC 31 (revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs
Accounting Treatment Guidance	Accounting Treatment Guidance for Measurement and Recognition for BearerPlant.

The Company and its subsidiaries would not yet adopt the above standards before the effective date. The management of the Company and its subsidiaries assess that there will have no material impacts on the financial statements in the year when they are initially applied.

- 2.4 Historical cost is used as measurement basis in preparing these financial statements except some items indicated in relevant notes.
- 2.5 Preparation of financial statements in conformity with the Generally Accepted Accounting Principles, 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 Financial Statements (Consolidated and the separate financial statements) (Continued)****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.

Intra-group balances and transactions are eliminated in preparing the consolidated financial statements.

*Subsidiaries*

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

*Associates*

Associates in which the Group has significant influence, but not control 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.

*Joint venture*

Joint ventures are those entities whose activities the group has joint control, established by contracted.

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.



**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

## 3.2 Foreign currencies

## Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

*Foreign operations*

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.

## 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 associates in the consolidated financial statements are accounted for using the equity method.

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)***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.

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

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

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

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 Financial Statements (Consolidated and the separate financial statements) (Continued)**

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.

Calculation of recoverable amount

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.

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

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

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. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

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 Financial Statements (Consolidated and the separate financial statements) (Continued)**

## 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 Financial Statements (Consolidated and the separate financial statements) (Continued)**

## 3.16 Expenses

*Operating leases*

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

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

Determining whether an arrangement contains a lease

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

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

*Finance costs*

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

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

*Other expense*

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

## 3.17 Income tax

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint venture to the extent that it is probable that they will not reverse in the foreseeable future.

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

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

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

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

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

#### 3.18 Earnings per share

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

#### 3.19 Segment reporting

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

### **4. Related party transactions**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group 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 Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties other than subsidiaries and associates which are described in notes 10 are as follows :



**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

<b>Related company</b>	<b>Location</b>	<b>Relationship</b>
62 Graphic & Retouch Ltd.	Thai	common shareholders and/or directors
Impact VDO Production Co., Ltd.	Thai	common shareholders and/or directors
Group of individual Marketing Insight	Thai	common shareholders and/or directors
Group of individual Marketing Blitz.	Thai	common shareholders and/or directors
Double P Marketing Communications Ltd.	Thai	common shareholders and/or directors
DRAFT Advertising (Cambodia) Ltd.	Cambodia	common shareholders

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

<b>Transaction</b>	<b>Explanation</b>
Services incomes	The fees are charged at the same condition and basis as general customers
Cost of service	The mutually agreed rate
Sale of asset	At fair value
Office rental	Base on the space rate charged to other tenant
Management agreement	The mutually agreed rate
Dividend	As declare

In 2015, the Company and its subsidiaries have transaction of billing agent for a foreign related company on media production in the amount of Baht 33.52 million (2014 : Baht 38.61 million) and media cost of Baht 38.32 million (2014 : Baht 77.95 million), respectively. There were no service fee for such transaction.

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

4.1 Significant transactions for the years ended 31 December with related parties were as follows:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
<i>For the year ended 31 December</i>	2015	2014	2015	2014
<b>Subsidiaries</b>				
Services income	-	-	90	33
Management income	-	-	32,070	31,905
Rental income	-	-	3,107	3,107
Dividend income	-	-	6,999	19,999
Other income	-	-	97	98
Cost of services	-	-	12,776	26,151
Administrative expenses	-	-	3,840	-
<b>Associated company</b>				
Services income	-	85	-	-
Management income	96	96	96	96
Rental income	60	60	60	60
Other incomes	24	24	24	24
Gain from sales of investment properties**	103,538	-	160,300	-
Cost of services	-	34	-	34
<b>Joint Venture</b>				
Services income	10	223	10	223
Agency commission	177	333	177	333
Management income	1,800	300	1,800	300
Rental income	180	30	180	30
Other income	64	17	64	17
<b>Other related parties</b>				
Services income	1,112	1,829	42	750
Management income	120	120	120	120
Other income	-	1,001	-	1,001
Cost of services	4,369	6,745	1,222	2,777
<b>Key management personnel</b>				
Short-term employee benefits	25,372	23,174	16,722	13,969
Post-employment benefits	706	658	250	234
<b>Total key management personnel benefit expenses</b>	<b>26,078</b>	<b>23,832</b>	<b>16,972</b>	<b>14,203</b>

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

The Group paid the director and executives remunerations which are comprised of salaries, bonus, defined contribution, other benefits meeting perdium, and post-employee benefits, etc.

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

4.2 Balances as at 31 December with related parties were as follows:

**4.2.1 Trade accounts receivable from related parties**

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
<b>Subsidiaries</b>				
Prakit Advertising Limited	-	-	14,422	26,812
Prakit & FCB (Cambodia) Co., Ltd.	-	-	-	656
Marketing Drive Worldwide (Thailand) Ltd.	-	-	165	107
<b>Associated company</b>				
Direct Response (Thailand) Ltd.	16	107	16	16
<b>Joint Venture</b>				
Bangkok Writer And Partners Company Limited	6,194	1,801	1,058	945
<b>Related companies</b>				
62 Graphic & Retouch Ltd.	21	11	21	11
Double P Marketing Communications Ltd.	1,098	1,949	-	1,070
DRAFT Advertising (Cambodia) Ltd.	18	-	-	-
<b>Total</b>	<b>7,347</b>	<b>3,868</b>	<b>15,682</b>	<b>29,617</b>
<i>Less</i> allowance for doubtful accounts	-	-	-	(656)
<b>Net</b>	<b>7,347</b>	<b>3,868</b>	<b>15,682</b>	<b>28,961</b>

As 31 December 2015 and 2014, the Company and its subsidiaries had trouble debt-trade account receivable-related companies which were overdue as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
<b>Related parties</b>				
Within credit terms	2,360	3,564	9,573	11,640
Overdue:				
Less than 3 months	1,391	241	5,852	9,118
3 - 6 months	1,786	63	159	5,276
6 - 12 months	1,810	-	98	2,927
Over 12 months	-	-	-	656
<b>Total</b>	<b>7,347</b>	<b>3,868</b>	<b>15,682</b>	<b>29,617</b>
<i>Less</i> allowance for doubtful accounts	-	-	-	(656)
<b>Net</b>	<b>7,347</b>	<b>3,868</b>	<b>15,682</b>	<b>28,961</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**4.2.2 Media receivable-related companies**

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>Subsidiary company</b>				
Marketing Drive Worldwide (Thailand) Ltd.	-	-	1,777	2,430
<b>Related parties</b>				
Double P Marketing Communication Ltd.	-	1,019	-	529
<b>Joint Venture</b>				
Bangkok Writer And Partners Company Limited	13,014	13,497	13,014	13,497
<b>Net</b>	<b>13,014</b>	<b>14,516</b>	<b>14,791</b>	<b>16,456</b>

As 31 December 2015 and 2014, the Company and its subsidiaries had trouble debt-media receivable-related companies which were overdue as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>Related parties</b>				
Within credit terms	1,567	7,355	3,344	9,785
Overdue:				
Less than 3 months	1,686	6,671	1,686	6,671
3 - 6 months	5,930	233	5,930	-
6 - 12 months	3,831	257	3,831	-
Over 12 months	-	-	-	-
<b>Total</b>	<b>12,900</b>	<b>14,516</b>	<b>14,791</b>	<b>16,456</b>
Less allowance for doubtful accounts	-	-	-	-
<b>Net</b>	<b>13,014</b>	<b>14,516</b>	<b>14,791</b>	<b>16,456</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**4.2.3 Advances to related companies**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>Subsidiary companies</b>				
Prakit & FCB (Myanmar) Limited	-	-	2,486	2,486
Prakit & FCB (Cambodia) Co., Ltd.	-	-	2,125	2,125
Prakit Advertising Limited Co., Ltd. (Myanmar)	-	-	3,257	1,061
<b>Associated company</b>				
Direct Response (Thailand) Limited	4	5	5	5
<b>Related companies</b>				
DRAFT Advertising (Cambodia) Limited	4,719	4,901	13	-
<b>Total</b>	<b>4,723</b>	<b>4,906</b>	<b>7,886</b>	<b>5,677</b>
<i>Less</i> Allowance for doubtful debts	-	-	(4,611)	(4,611)
<b>Net</b>	<b>4,723</b>	<b>4,906</b>	<b>3,275</b>	<b>1,066</b>

**4.2.4 Trade accounts payable-related companies**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>Subsidiary companies</b>				
Prakit Advertising Limited	-	-	41,042	41,464
Marketing Drive Worldwide (Thailand) Ltd.	-	-	1,687	1,264
<b>Related companies</b>				
62 Graphic & Retouch Ltd.	4,423	5,251	1,231	2,056
<b>Total</b>	<b>4,423</b>	<b>5,251</b>	<b>43,960</b>	<b>44,784</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**4.2.5 Media payable-related companies**

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
<b>Subsidiary companies</b>				
Prakit Advertising Limited	-	-	1,063	1,063
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,063</b>	<b>1,063</b>

**4.2.6 Agency payable**

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
DRAFT Advertising (Cambodia) Limited	42,339	20,044	15,474	7,254

**4.2.7 Other matters**

The Company's bank deposit has been pledged to a bank to secure overdrafts facilities and short-term borrowing of a subsidiary company amounting to Baht 30 million.

Part of land and building have been mortgaged to a bank as a collateral for Baht 58.50 million credit line for overdrafts facilities of its subsidiary company.

Two subsidiary companies have entered into the agreement for office rental with the Company for the period of 3 years ending in December 2014 and December 2017 respectively, and the monthly rental rates are Baht 40,000 and Baht 113,200, respectively.

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

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**5. Cash and cash equivalents**

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
Cash on hand	492	273	45	15
Cash at banks – current accounts	9,440	9,943	4,066	986
Cash at banks – savings accounts	75,171	79,559	28,963	41,800
<b>Total</b>	<b>85,103</b>	<b>89,775</b>	<b>33,074</b>	<b>42,801</b>

**6. Investments in personal fund**

In the year 2005, the Company invested in a personal fund. The Company has authorized SCB Asset Management Co., Ltd. to manage its investment in securities in which the Company has furnished initial fund to the security company amounting to Baht 20 million. The Company has set the investment policy as Privileged Select - IPO which is a flexible fund and emphasis on investing in equity securities, common shares of newly listed company with sound performance and debt securities. Such investment policy is depend upon the authorized security company's judgement based on the Company's investment objective. The management and custodian fees will be charged at the rates stipulated in the fund management contract. Ayudhaya Bank (Plc) is appointed as the Company custodian.

As at 31 December 2015 and 2014, Investments in personal fund consist of:

Unit : Thousand Baht

	<b>Consolidated and separate</b>	
	<b>financial statements</b>	
	2015	2014
Unit fund	20,000	20,000
Unrealized gain from re-measuring at fair value in securities	8,242	6,611
<b>Investment in securities</b>	<b>28,242</b>	<b>26,611</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

As at 31 December 2015 and 2014, the Company received the investment report from the assets management company, the manager of the above mentioned fund, presenting details as followings:

	Unit : Thousand Baht	
	<b>Consolidated and separate financial statements</b>	
	2015	2014
Cash and deposit at financial institutions		
Deposits at financial institutions	3,083	3,870
Other assets and liabilities		
Other assets	241	203
Other liabilities	(9)	(9)
Investment in securities – fair value		
Investment in debt securities		
Debentures	12,334	11,454
Bonds	4,065	4,486
Promissory notes	996	-
Mutual Funds	7,532	6,607
<b>Total</b>	<b>28,242</b>	<b>26,611</b>



**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**7. Investments in securities**

As at 31 December 2015 and 2014, investment in securities consist of:

**Current investments**

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
<b>Trading securities</b>				
Marketable equity securities	6,300	10,091	6,300	10,091
Gain (loss) from fair value adjustment	(1,473)	(204)	(1,473)	(204)
<b>Total</b>	<b>4,827</b>	<b>9,887</b>	<b>4,827</b>	<b>9,887</b>
Unit fund	311,578	237,959	288,636	216,709
Gain (loss) from fair value adjustment	2,347	3,713	2,127	2,822
<b>Total</b>	<b>313,925</b>	<b>241,672</b>	<b>290,763</b>	<b>219,531</b>
<b>Net</b>	<b>318,752</b>	<b>251,559</b>	<b>295,590</b>	<b>229,418</b>

The movements of current investment for each of the years ended 31 December 2015 and 2014 were as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
Beginning balance of the year	251,559	208,124	229,418	130,478
Acquisition	311,704	234,321	291,704	224,322
Disposal	(245,385)	(194,395)	(226,186)	(128,000)
<b>Total</b>	<b>317,878</b>	<b>248,050</b>	<b>294,936</b>	<b>226,800</b>
Gain form fair value adjustment	874	3,509	654	2,618
<b>Net</b>	<b>318,752</b>	<b>251,559</b>	<b>295,590</b>	<b>229,418</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**Long - Term Investments**

Unit : Thousand Baht

As at 31 December 2015

**Consolidated financial statements**

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

Unit : Thousand Baht

As at 31 December 2015

**Separate financial statements**

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

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

Unit : Thousand Baht

As at 31 December 2014

**Consolidated financial statements**

	Security			Total
	available for Sale	Held to Maturity	Other Investment	
Debt Securities-Cost	-	83,000	-	83,000
Unrealized gain (loss) on fair value adjustment	-	-	-	-
	-	83,000	-	83,000
<i>Less</i> Current portion of held to maturity debt securities	-	(12,000)	-	(12,000)
<b>Total debt securities</b>	<b>-</b>	<b>71,000</b>	<b>-</b>	<b>71,000</b>
Equity Securities-Cost	72,736	-	-	72,736
Unrealized gain (loss) on fair value adjustment	(24,514)	-	-	(24,514)
<b>Total equity securities</b>	<b>48,222</b>	<b>-</b>	<b>-</b>	<b>48,222</b>
Fixed accounts, not pledged as a collateral	-	-	-	-
<b>Grand total of long-term investments</b>	<b>48,222</b>	<b>71,000</b>	<b>-</b>	<b>119,222</b>

Unit : Thousand Baht

As at 31 December 2014

**Separate financial statements**

	Security			Total
	available for Sale	Held to Maturity	Other Investment	
Debt Securities-Cost	-	81,000	-	81,000
Unrealized gain (loss) on fair value adjustment	-	-	-	-
	-	81,000	-	81,000
<i>Less</i> Current portion of held to maturity debt securities	-	(10,000)	-	(10,000)
<b>Total debt securities</b>	<b>-</b>	<b>71,000</b>	<b>-</b>	<b>71,000</b>
Equity Securities-Cost	72,736	-	-	72,736
Unrealized gain (loss) on fair value adjustment	(24,514)	-	-	(24,514)
<b>Total equity securities</b>	<b>48,222</b>	<b>-</b>	<b>-</b>	<b>48,222</b>
<b>Grand total of long-term investment</b>	<b>48,222</b>	<b>71,000</b>	<b>-</b>	<b>119,222</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

The movements of long-term investments for the years ended 31 December 2015 and 2014 were as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
Beginning balance of the year	131,222	183,325	129,222	181,325
Acquisition	37,577	20,470	37,577	20,470
Disposal	(19,842)	(68,580)	(17,842)	(68,580)
<b>Total</b>	<b>148,957</b>	<b>135,215</b>	<b>148,957</b>	<b>133,215</b>
Unrealized gain (loss) on fair value adjustment	(12,539)	(3,993)	(12,539)	(3,993)
Net investment	136,418	131,222	136,418	129,222
<i>Less</i> Current portion of held to maturity debt securities	(20,000)	(12,000)	(20,000)	(10,000)
<b>Net</b>	<b>116,418</b>	<b>119,222</b>	<b>116,418</b>	<b>119,222</b>
<b>Total long-term investments</b>	<b>116,418</b>	<b>119,222</b>	<b>116,418</b>	<b>119,222</b>

The Company shows differences between fair values and cost values as “unrealized gain (loss) from fair value adjustment in securities” and presented in statements of comprehensive income.

Due dates of held-to-maturity debt securities are as follows:

As at 31 December 2015

Unit : Thousand Baht

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

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

As at 31 December 2014

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>Cost Value</u>	<u>Fair Value</u>	<u>Cost Value</u>	<u>Fair Value</u>
<b>Maturity date:</b>				
Not over 1 year	12,000	12,000	10,000	10,000
Over 1 year but not over 5 years	46,000	46,000	46,000	46,000
Over 5 years but not over 10 years	25,000	25,000	25,000	25,000
<b>Total</b>	<b><u>83,000</u></b>	<b><u>83,000</u></b>	<b><u>81,000</u></b>	<b><u>81,000</u></b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**8. Trade and other accounts receivable**

Unit : Thousand Baht

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2015	2014	2015	2014
<b>Trade accounts receivable</b>					
Trade accounts and notes receivable					
Related parties	4	7,347	3,868	15,682	29,617
Other parties		31,950	23,962	18,716	10,057
Media and noted receivable					
Related parties	4	13,014	14,516	14,791	16,456
Other parties		213,041	183,686	159,817	98,973
<b>Other receivables</b>					
Billing agent receivable		25,898	17,016	13,752	9,397
Advance to related companies	4	4,723	4,906	3,275	1,066
Advances payment for media		7,198	9,010	3,417	4,520
Accrued incomes		11,634	15,190	7,493	11,515
Advances payment		1,359	178	50	73
Others		8,915	5,461	3,234	2,643
<b>Total</b>		<b>325,079</b>	<b>277,793</b>	<b>240,227</b>	<b>184,317</b>
Less allowance for doubtful accounts		(14,540)	(18,977)	(5,689)	(6,346)
<b>Net</b>		<b>310,539</b>	<b>258,816</b>	<b>234,538</b>	<b>177,971</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

As at 31 December 2015 and 2014, the Company and its subsidiaries had trouble debt - trade accounts receivable from other companies by aging as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Within credit terms	20,929	11,276	12,732	6,091
Overdue:				
Less than 3 months	6,742	4,073	3,506	1,589
3-6 months	354	1,748	262	335
6-12 months	115	165	104	-
Over 12 months	3,810	6,700	2,112	2,042
<b>Total</b>	<b>31,950</b>	<b>23,962</b>	<b>18,716</b>	<b>10,057</b>
Less allowance for doubtful accounts	(3,677)	(6,642)	(2,042)	(2,699)
<b>Net</b>	<b>28,273</b>	<b>17,320</b>	<b>16,674</b>	<b>7,358</b>

As at 31 December 2015 and 2014, the Company and its subsidiaries had trouble debt - media receivable from other companies by aging as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Within credit terms	157,091	114,033	124,917	52,355
Overdue:				
Less than 3 months	33,282	44,994	21,123	30,647
3-6 months	4,964	12,324	3,662	12,324
6-12 months	4,197	-	3,824	-
Over 12 months	13,507	12,335	6,291	3,647
<b>Total</b>	<b>213,041</b>	<b>183,686</b>	<b>159,817</b>	<b>98,973</b>
Less allowance for doubtful accounts	(10,863)	(12,335)	(3,647)	(3,647)
<b>Net</b>	<b>202,178</b>	<b>171,351</b>	<b>156,170</b>	<b>95,326</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**9. Bank deposit held as collateral**

As at 31 December 2015, the Company has fixed deposit used as collateral for bank overdraft of the joint venture in the amount Baht 30 million. As at 31 December 2014, the Company's fixed deposit has been pledged as a security for its Joint Venture's loan facilities including bank overdraft of Baht 25 million. The fixed deposit has earned interest at the rates 2.60 % per annum and 3.15% per annum, respectively.

**10. Investment in joint venture associated and subsidiary companies**

Investment in joint venture associated and subsidiary companies were as follows:

As at 31 December 2015

Unit : Thousand Baht

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



**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

As at 31 December 2014

Unit : Thousand Baht

<b>Consolidated financial statements</b>						
Company	Type of business	Paid-up share capital (in Baht)	Investment Ownership (%)	Investment		Dividend receivable
				Cost method	Equity method	
<b>Associated Company</b>						
Direct Response (Thailand) Ltd.	Advertising	2,000,000	49.00	1,421	2,437	-
<b>Joint Venture</b>						
Bangkok Writer And Partners Company Limited	Advertising	10,000,000	42.00	16,800	17,568	-
					<u>20,005</u>	

As at 31 December 2015 and 2014

Unit : Thousand Baht

**Separate Financial statement**

Company	Type of business	Paid-up share capital (in Baht/ US\$)	Investment Ownership (%)		Investment by cost method		Dividend	
			2015	2014	2015	2014	2015	2014
<b>Subsidiary Companies</b>								
Prakit Advertising Co., Ltd.	Advertising	10,000,000	99.99	99.99	9,999	9,999	4,999	19,999
Prakit&FCB (Myanmar) Limited*	Advertising	88,084 US\$	90.00	90.00	2,011	2,011	-	-
Prakit&FCB (Cambodia) Co., Ltd.	Advertising	25,000 US\$	80.00	80.00	507	507	-	-
Marketing Drive Worldwide (Thailand) Limited	Advertising	2,000,000	99.965	99.965	1,999	1,999	1,999	-
Prakit Advertising Co., Ltd.**	Advertising	25,000 US\$	90.00	90.00	744	744	-	-
<b>Associated Company</b>								
Direct response (Thailand) Limited	Advertising	2,000,000	49.00	49.00	1,421	1,421	-	-
Sukhumvit 62 Medical Limited***	Hospital	428,625,000	35.41	-	<u>150,375</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>					<b>167,056</b>	<b>16,681</b>	<b>6,998</b>	<b>19,999</b>
<i>Less</i> Allowance for impairment loss					<u>(2,011)</u>	<u>(2,011)</u>	<u>-</u>	<u>-</u>
<b>Total investment</b>					<b><u>165,045</u></b>	<b><u>14,670</u></b>	<b><u>6,998</u></b>	<b><u>19,999</u></b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

\*The Company did not include the financial statement of Prakit & FCB (Myanmar) Limited for each of the years ended 31 December 2015 and 2014 in the consolidated financial statements due to it had ceased operations and is currently in the process of closing.

\*\* On 27 January 2014, the Company acquired an investment in the shares of an advertising company in the Republic of the Union of Myanmar.

\*\*\* Held on 23 July 2015, the board of directors's meeting No. 5/2015 approved to purchase common shares of Sukhumvit 62 Medical Ltd. ("Medical") of existing common share 7,500 shares and increasing shares of 2,992,500 shares at par of Baht 100 per share, totaling of Baht 300 million or 35.41% of registered share of Medical, after share increase. The Company has paid the increased shares partially at Baht 50 per share.

The financial statements of associates and joint ventures as at 31 December 2015 and 2014 audited by other auditors.

Investments in associates and joint ventures using the equity method in the consolidated financial statements are as follows.

Unit : Thousand Baht

	Direct response (Thailand) Limited		Bangkok Writer and Partners Company Limited		Sukhumvit 62 Medical Limited	
	2015	2014	2015	2014	2015	2014
	Investments in associates and joint ventures % of total assets of the consolidated financial statements.	0.47	0.68	5.39	3.31	35.69
Equity in earnings of associated companies and joint ventures for the period For the year ended 31 December	(199)	356	1,916	768	(225)	-
% of the total income of the financial statements.	(0.04)	0.10	0.39	0.21	(0.05)	-

The financial statements of associates and joint ventures are as follows.

Unit : Thousand Baht

	Direct response (Thailand) Limited		Bangkok Writer and Partners Company Limited		Sukhumvit 62 Medical Limited	
	2015	2014	2015	2014	2015	2014
	Total assets	5,656	7,255	64,619	35,257	427,641
Total liabilities	1,061	2,252	48,226	23,427	75	-
Total income	1,824	10,696	144,955	30,763	355	-
Profit (loss) for the year	(408)	727	4,564	1,829	(636)	-

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**11. Loans to employee**

As at 31 December 2015 and 2014, the movement of loans to employees were as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Beginning balance	925	840	525	400
Add increase during the year	400	600	400	400
Total	1,325	1,440	925	800
Less decrease during the year	(510)	(515)	(325)	(275)
Ending balance	815	925	600	525
Less current portion of due within 1 year	(465)	(405)	(300)	(220)
<b>Net</b>	<b>350</b>	<b>520</b>	<b>300</b>	<b>305</b>

According to the Company's policy, the interest free loans were provided to its employees as fringe benefits of its employees.

Current portion of loan to employees were included in other current assets.

**12. Investment property**

As at 31 December 2015 and 2014, investment properties were consisted of:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Land for lease	46,215	46,215	46,215	46,215
Unutilized land for operation	-	90,000	-	90,000
<b>Total</b>	<b>46,215</b>	<b>136,215</b>	<b>46,215</b>	<b>136,215</b>

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

As at 31 December 2015, the fair value of land classified as investment property is Baht 125.32 million (2014: Baht 375.62 million).

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**13. Property, plant and equipment**

Unit : Thousand Baht

**Consolidated financial statements**

<b>Cost</b>	<b>Land</b>	<b>Buildings and improvement</b>	<b>Land improvement</b>	<b>Leasehold asset improvements</b>	<b>Furniture and fixtures</b>	<b>Office equipment</b>	<b>Vehicles</b>	<b>Construction in progress</b>	<b>Total</b>
<b>As at 1 January 2014</b>	<b>54,811</b>	<b>88,069</b>	<b>2,699</b>	<b>131</b>	<b>12,732</b>	<b>15,754</b>	<b>21,377</b>	-	<b>195,573</b>
Purchase	-	1,521	-	308	434	477	1,216	-	3,956
Disposal	-	(109)	-	-	(1,924)	(2,098)	(1,439)	-	(5,570)
<b>As at 31 December 2014 and 1 January 2015</b>	<b>54,811</b>	<b>89,481</b>	<b>2,699</b>	<b>439</b>	<b>11,242</b>	<b>14,133</b>	<b>21,154</b>	-	<b>193,959</b>
Purchase	-	42	-	55	361	998	1,453	3,868	6,777
Disposal	-	-	-	(45)	(39)	(296)	-	-	(380)
<b>As at 31 December 2015</b>	<b>54,811</b>	<b>89,523</b>	<b>2,699</b>	<b>449</b>	<b>11,564</b>	<b>14,835</b>	<b>22,607</b>	<b>3,868</b>	<b>200,356</b>
<b>Accumulated depreciation</b>									
<b>As at 1 January 2014</b>	-	<b>56,223</b>	<b>1,541</b>	<b>106</b>	<b>11,687</b>	<b>14,138</b>	<b>18,068</b>	-	<b>101,763</b>
Depreciation for the year	-	3,258	90	58	382	701	1,194	-	5,683
Disposal	-	(55)	-	-	(1,642)	(2,098)	(1,439)	-	(5,234)
<b>As at 31 December 2014 and 1 January 2015</b>	-	<b>59,426</b>	<b>1,631</b>	<b>164</b>	<b>10,427</b>	<b>12,741</b>	<b>17,823</b>	-	<b>102,212</b>
Depreciation for the year	-	3,392	90	75	275	685	1,066	-	5,583
Disposal	-	-	-	(7)	(28)	(262)	-	-	(297)
<b>As at 31 December 2015</b>	-	<b>62,818</b>	<b>1,721</b>	<b>232</b>	<b>10,674</b>	<b>13,164</b>	<b>18,889</b>	-	<b>107,498</b>
<b>Net book Value</b>									
<b>As at 31 December 2014</b>	<b>54,811</b>	<b>30,055</b>	<b>1,068</b>	<b>275</b>	<b>815</b>	<b>1,392</b>	<b>3,331</b>	-	<b>91,747</b>
<b>As at 31 December 2015</b>	<b>54,811</b>	<b>26,705</b>	<b>978</b>	<b>217</b>	<b>890</b>	<b>1,671</b>	<b>3,718</b>	<b>3,868</b>	<b>92,858</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

Unit : Thousand Baht

**Separate financial statements**

Cost	Separate financial statements								
	Land	Buildings and improvement	Land improvement	Leasehold asset improvements	Furniture and fixtures	Office equipment	Vehicles	Construction in progress	Total
<b>As at 1 January 2014</b>	<b>54,811</b>	<b>88,069</b>	<b>2,699</b>	-	<b>12,466</b>	<b>11,460</b>	<b>16,091</b>	-	<b>185,596</b>
Purchase	-	1,521	-	-	350	187	1,215	-	3,273
Disposal	-	(109)	-	-	(1,924)	(839)	(1,439)	-	(4,311)
<b>As at 31 December 2014 and 1 January 2015</b>	<b>54,811</b>	<b>89,481</b>	<b>2,699</b>	-	<b>10,892</b>	<b>10,808</b>	<b>15,867</b>	-	<b>184,558</b>
Purchase	-	42	-	-	355	906	1,453	3,868	6,624
Disposal	-	-	-	-	-	-	-	-	-
<b>As at 31 December 2015</b>	<b>54,811</b>	<b>89,523</b>	<b>2,699</b>	-	<b>11,247</b>	<b>11,714</b>	<b>17,320</b>	<b>3,868</b>	<b>191,182</b>
<b>Accumulated depreciation</b>									
<b>As at 1 January 2014</b>	-	<b>56,223</b>	<b>1,541</b>	-	<b>11,564</b>	<b>10,309</b>	<b>12,834</b>	-	<b>92,471</b>
Depreciation for the year	-	3,258	90	-	300	455	1,141	-	5,244
Disposal	-	(55)	-	-	(1,642)	(839)	(1,439)	-	(3,975)
<b>As at 31 December 2014 and 1 January 2015</b>	-	<b>59,426</b>	<b>1,631</b>	-	<b>10,222</b>	<b>9,925</b>	<b>12,536</b>	-	<b>93,740</b>
Depreciation for the year	-	3,392	90	-	219	477	1,067	-	5,245
Disposal	-	-	-	-	-	-	-	-	-
<b>As at 31 December 2015</b>	-	<b>62,818</b>	<b>1,721</b>	-	<b>10,441</b>	<b>10,402</b>	<b>13,603</b>	-	<b>98,985</b>
<b>Net book Value</b>									
<b>As at 31 December 2014</b>	<b>54,811</b>	<b>30,055</b>	<b>1,068</b>	-	<b>670</b>	<b>883</b>	<b>3,331</b>	-	<b>90,818</b>
<b>As at 31 December 2015</b>	<b>54,811</b>	<b>26,705</b>	<b>978</b>	-	<b>806</b>	<b>1,312</b>	<b>3,717</b>	<b>3,868</b>	<b>92,197</b>

Part of land and building of the Company have been pledged as collateral for a subsidiary's bank overdrafts.

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**14. Deferred tax asset**

Deferred tax assets and liabilities as at 31 December 2015 and 2014 were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
Deferred tax assets	12,792	10,868	9,449	7,264
Deferred tax liabilities	(802)	(1,194)	(773)	(1,078)
<b>Net</b>	<b>11,990</b>	<b>9,674</b>	<b>8,676</b>	<b>6,186</b>

Unit : Thousand Baht

Movements in total deferred tax assets and liabilities during for the years ended 31 December 2015 and 2014 were as follows:

Unit : Thousand Baht

**Consolidated financial statements**

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

## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

Unit : Thousand Baht

## Consolidated financial statements

Consist of :-	1 January 2014	(Charged) / Credited to:		Recognized direct to Equity	31 December 2014
		Profit or loss	Other comprehensive income		
Deferred tax assets					
Trade account receivable	1,042	(7)	-	-	1,035
Other receivable	625	(69)	-	-	556
Investments in subsidiaries	402	-	-	-	402
Investment in marketable securities	4,104	-	799	-	4,903
Provisions	4,353	180	(561)	-	3,972
<b>Total</b>	<b>10,526</b>	<b>104</b>	<b>238</b>	<b>-</b>	<b>10,868</b>
Deferred tax liabilities					
Investment in marketable securities	940	254	-	-	1,194
<b>Total</b>	<b>940</b>	<b>254</b>	<b>-</b>	<b>-</b>	<b>1,194</b>
<b>Net</b>	<b>9,586</b>	<b>(150)</b>	<b>238</b>	<b>-</b>	<b>9,674</b>

Unit : Thousand Baht

## Separate financial statements

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

## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

Unit : Thousand Baht

## Separate financial statements

Consist of:-	1 January 2014	(Charged) / Credited to:		Recognized direct to Equity	31 December 2014
		Profit or loss	Other comprehensive income		
Deferred tax assets					
Other receivable	625	(69)	-	-	556
Investments in subsidiaries	402	-	-	-	402
Investment in marketable securities	4,103	-	799	-	4,902
Provisions	1,252	(37)	189	-	1,404
<b>Total</b>	<b>6,382</b>	<b>(106)</b>	<b>988</b>	<b>-</b>	<b>7,264</b>
Deferred tax liabilities					
Investment in marketable securities	697	381	-	-	1,078
<b>Total</b>	<b>697</b>	<b>381</b>	<b>-</b>	<b>-</b>	<b>1,078</b>
<b>Net</b>	<b>5,685</b>	<b>(487)</b>	<b>988</b>	<b>-</b>	<b>6,186</b>



## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

## 15. Trade accounts and other payable

Unit : Thousand Baht

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2015	2014	2015	2014
<b>Trade accounts payable</b>					
Trade accounts and note payable					
Related companies	4	4,423	5,251	43,960	44,784
Other companies		24,186	13,479	9,608	1,159
Media and note payable					
Related companies	4	-	-	1,063	1,063
Other companies		138,649	138,958	96,691	99,693
<b>Total</b>		<b>167,258</b>	<b>157,688</b>	<b>151,322</b>	<b>146,699</b>
<b>Other payable</b>					
Billing agent payable		42,339	22,474	15,474	9,014
Deposits		29,177	21,759	24,299	5,634
Accrued expenses		18,580	20,417	5,165	4,245
Other		14,908	10,646	14,777	10,519
<b>Total</b>		<b>105,004</b>	<b>75,296</b>	<b>59,715</b>	<b>29,412</b>
<b>Total trade accounts and other payable</b>		<b>272,262</b>	<b>232,984</b>	<b>211,037</b>	<b>176,111</b>

## 16. Deferred lease right

As at 31 December 2015 and 2014, deferred lease right were consisted of:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Deferred lease right	16,650	17,734	16,650	17,734
Earned during the year	(1,084)	(1,084)	(1,084)	(1,084)
<b>Net</b>	<b>15,566</b>	<b>16,650</b>	<b>15,566</b>	<b>16,650</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

Deferred lease right is the right from lending a plot of land to a company which has 29 year operating lease agreement.

Furthermore, the Company receives the annual income from this asset as follows:

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

**17. Employee benefit obligations**

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Statement of financial position</b>				
<b>obligations for:</b>				
Post-employment benefits	17,598	19,859	6,061	7,015
<b>For the year ended 31 December</b>				
<b>Statement of comprehensive income :</b>				
<b>Recognised in profit or loss:</b>				
Post-employment benefits	2,558	2,487	773	774

Actuarial assumption at the reports date were as follows :

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<i>(%)</i>			
Discount rate	4.50	4.50	4.50	4.50
Future salary increases	5.29	5.29	5.29	5.29
Mortality rate	100.0**	100.0**	100.0**	100.0**
Disability rate	10.0**	10.0**	10.0**	10.0**

\*\* Thailand Mortality Ordinary Table 2008

## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

## 18. Share capital

(Unit: Thousand shares / Thousand Baht)

	Par value per share (in Baht)	2015		2014	
		Number	Amount	Number	Amount
<b>Authorised</b>					
At 1 January					
- ordinary shares	1	99,484	99,484	99,484	99,484
<b>At 31 December</b>					
- ordinary shares	1	<b>99,484</b>	<b>99,484</b>	<b>99,484</b>	<b>99,484</b>
<b>Issued and paid-up</b>					
At 1 January					
- ordinary shares	1	60,000	60,000	60,000	60,000
<b>At 31 December</b>					
- ordinary shares	1	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</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 operation.

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

*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. Information on operating segments**

For the year ended 31 December 2015 and 2014 information on operating segments were as follow:

**Business segment**

Unit : Million Baht

	<b>Consolidated financial statements</b>							
	Service income		Agency income		Investment income		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
Revenue	208	209	161	133	111	20	480	362
Profit for reportable segments	28	31	102	84	111	20	241	135
Unallocated other income							8	5
Unallocated expense							(90)	(83)
<b>Profit before income tax</b>							<b>159</b>	<b>57</b>
	Service income		Agency income		Investment income		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
Total assets for reportable segments	39	25	238	199	631	460	908	684
Other unallocated amounts	-	-	-	-	-	-	290	381
<b>Consolidated total assets</b>	<b>39</b>	<b>25</b>	<b>238</b>	<b>199</b>	<b>631</b>	<b>460</b>	<b>1,198</b>	<b>1,065</b>

**Geographical segments**

In presenting information on the basis of geographical segments, segment revenue and assets are based on the geographical location of assets.

Information relating to geographical segments for the years ended 31 December 2015 and 2014 as follows:

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

Unit : Million Baht

	Domestic		Oversea		Total	
	2015	2014	2015	2014	2015	2014
Agency and services income	478	351	2	-	480	351
Profit for reportable segment	240	124	1	-	241	124
Total assets for reportable segment	1,190	1,059	8	6	1,198	1,065

**21. Provident fund**

The Company, the subsidiary companies and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, the subsidiary companies and their employees contributed to the fund monthly at the rate of 5 percent of their basic salary. The fund, which is managed by Thanachart Fund Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. For the year ended 31 December 2015 and 2014, the Company and its subsidiaries contributed Baht 4.84 million and Baht 4.78 million respectively.

**22. Expenses by nature**

Significant expenses classified by nature were consisted of:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Employee expenses	138,237	129,751	60,241	55,122
Cost of service	179,854	177,786	63,159	73,777
Depreciation expenses	5,583	5,683	5,245	5,245

**23. Income tax**

Income tax recognised in profit or loss

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Current income tax:	42,638	10,587	41,339	10,174
Deferred tax:				
Temporary differences and reversal of temporary differences	190	711	46	299
<b>Income tax expenses</b>	<b>42,828</b>	<b>11,298</b>	<b>41,385</b>	<b>10,473</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**Income tax recognized in other comprehensive income**

Unit : Thousand Baht

	<b>Consolidated financial statements</b>					
	2015			2014		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Available-for-sale financial assets	(12,539)	2,507	(10,032)	(3,993)	799	(3,194)
Provisions	6	(1)	5	2,804	(561)	2,243
<b>Total</b>	<b>(12,533)</b>	<b>2,506</b>	<b>(10,027)</b>	<b>(1,189)</b>	<b>238</b>	<b>(951)</b>

Unit : Thousand Baht

	<b>Separate financial statements</b>					
	2015			2014		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Available-for-sale financial assets	(12,539)	2,507	(10,032)	(3,993)	799	(3,194)
Provisions	(147)	29	(118)	(947)	189	(758)
<b>Total</b>	<b>(12,686)</b>	<b>2,536</b>	<b>(10,150)</b>	<b>(4,940)</b>	<b>988</b>	<b>(3,952)</b>

Reconciliation between the average effective tax rate and the applicable tax rate for the years ended 31 December 2015 and 2014, are as follows:

Unit : Thousand Baht

	<b>Consolidated financial statements</b>			
	2015		2014	
	<i>Rate (%)</i>	<i>Amount</i>	<i>Rate (%)</i>	<i>Amount</i>
Profit before income tax expense		159,316		57,488
Income tax using the Thai corporation tax rate	20	31,863	20	11,498
Effect From elimination with subsidiaries		12,752		3,514
Exemption of income/Additional expenses deduction allowed		(3,399)		(5,377)
Expense net deductible for tax purposes and other		1,422		952
Current income tax		42,638		10,587
Movement in temporary differences		190		711
Income tax reduction		-		-
<b>Income tax expenses</b>	<b>27</b>	<b>42,828</b>	<b>20</b>	<b>11,298</b>

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

Unit : Thousand Baht

	Separate financial statements			
	2015		2014	
	<i>Rate (%)</i>	<i>Amount</i>	<i>Rate (%)</i>	<i>Amount</i>
Profit before income tax expense		215,921		74,194
Income tax using the Thai corporation tax rate	20	43,184	20	14,839
Exemption of income/Additional expenses deduction allowed		(2,805)		(5,179)
Expense net deductible for tax purposes and other		960		514
Current income tax		41,339		10,174
Movement in temporary differences		46		299
<b>Income tax expenses</b>	<b>19</b>	<b>41,385</b>	<b>14</b>	<b>10,473</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*

Royal Decree No. 577 B.E. 2557 dated November 10, 2014 grants the reduction to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, The National Legislative Assembly has approved a reduction of the corporate income tax rate from 30% to 20% of net taxable profit for the accounting period which begins on or after 1 January 2016.

The Company has applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

**24. Treasury stock**

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

The period of the resale of share is from 1 December 2014 to 30 November 2016 (after 6 months from the completion date of share repurchase and not later than 3 years from such date).

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**25. Earnings per share**

The calculation of basic earnings per share for sale of year ended 31 December 2015 and 2014 was based on the profit for the periods attributable to equity holders of the parent and the number of ordinary shares outstanding during the years by computing as follows:

	Unit : Thousand Baht/ Thousand Shares			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Profit attributable to ordinary shareholders of the Company	116,646	46,308	174,535	63,721
Number of ordinary shares outstanding	60,000	60,000	60,000	60,000
Less Treasury share (see note 24)	(5,800)	(3,925)	(5,800)	(3,925)
Weighted average number of paid-up ordinary share in issue during the year	54,200	56,075	54,200	56,075
<b>Basic earnings per share (Baht)</b>	<b>2.15</b>	<b>0.83</b>	<b>3.22</b>	<b>1.14</b>

**26. Dividends**

*The Company*

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

Held on 30 April 2014, the Annual General Meeting of the Company's No.1/2014 had pass a resolution to pay dividend at the rate of Baht 1 per share amounting to Baht 54.2 million which shall be paid on 27 May 2014.

*Subsidiary*

Held on 28 April 2014, the Annual General Meeting of a subsidiary's No.1/2014 had pass a resolution to pay dividend at the rate of Baht 200 per share amounting to Baht 20 million which shall be paid on 21 May 2014.

**27. Financial instruments**

*Financial risk management policies*

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

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



**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

**Capital management**

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

**Interest rate risk**

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

As at 31 December 2015, 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>						
	<u>Within 1</u>	<u>1 – 5</u>	<u>&gt;5</u>	<u>Adjusted</u>	<u>No</u>		<u>Interest</u>
	<u>year</u>	<u>years</u>	<u>years</u>	<u>to market</u>	<u>interest</u>	<u>Total</u>	<u>rates (%)</u>
				<u>rate</u>	<u>rates</u>		<u>per annum</u>
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	75,171	9,932	85,103	0.375
Current investment	-	-	-	-	346,994	346,994	-
Debt securities held to							
maturity within one year	20,000	-	-	-	-	20,000	4.00-6.20
Trade and other receivables	-	-	-	-	310,539	310,539	-
Bank deposit held as							
collateral	30,000	2,001	-	-	-	32,001	2.60
Other long-term							
investments	-	31,000	25,000	-	60,418	116,418	4.00-6.20
Loan to employee	-	-	-	-	350	350	-
<b>Financial liabilities</b>							
Trade and other payable	-	-	-	-	272,262	272,262	-

## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

Unit : Thousand Baht

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

As at 31 December 2014, significant financial assets and liabilities of the Company and its subsidiaries were exposed from the interest rates as follows:

Unit : Thousand Baht

	Consolidated financial statements						Interest rates (% per annum)
	Fixed Rate			Adjusted to market rate	No interest rates	Total	
	Within 1 year	1 – 5 years	>5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	79,559	10,216	89,775	0.75
Current investment	1,000	-	-	-	278,169	279,169	-
Debt securities held to maturity within one year	12,000	-	-	-	-	12,000	3.00-6.00
Trade and other receivables	-	-	-	-	258,816	258,816	-
Bank deposit held as collateral	30,000	-	-	-	-	30,000	3.15
Other long-term investments	-	46,000	25,000	-	48,222	119,222	3.00-6.00
Loan to employee	-	-	-	-	520	520	-
<b>Financial liabilities</b>							
Trade and other payable	-	-	-	-	232,984	232,984	-

## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

Unit : Thousand Baht

	Separate financial statements						Interest rates (% per annum)
	Fixed Rate			Adjusted to market rate	No interest rates	Total	
	Within 1 year	1 – 5 years	>5 years				
<b>Financial assets</b>							
Cash and cash equivalent	-	-	-	41,800	1,001	42,801	0.75
Current investment	1,000	-	-	-	256,028	257,028	-
Debt securities held to maturity within one year	10,000	-	-	-	-	10,000	3.00-6.00
Trade and other receivables	-	-	-	-	177,971	177,971	-
Bank deposit held as collateral	30,000	-	-	-	-	30,000	3.15
Other long-term investments	-	46,000	25,000	-	48,222	119,222	3.00-6.00
Loan to employee	-	-	-	-	305	305	-
<b>Financial liabilities</b>							
Trade and other payable	-	-	-	-	176,112	176,112	-

**Foreign currency risk**

At 31 December 2015 and 2014, the Group were exposed to foreign currency risk in respect of financial assets denominated in the following currencies:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>United States Dollars</b>				
Cash and deposits at banks	1,797	259	-	-
Trade and other receivable	5,369	4,999	-	-
Equipment	368	475	-	-
Other assets	132	154	-	-
Other payable	(6,282)	(3,219)	-	-
<b>Gross balance sheet exposure</b>	<b>1,384</b>	<b>2,668</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.

**PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)**

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. The different levels have been defined as follows:

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

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

*Unit: Thousand Baht*

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

## PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

Unit: Thousand Baht

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

*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 Fund Manager.

**28. Capital management**

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

As at 31 December 2015 and 2014, debt-to-equity ratio in the consolidated financial statements was 0.44 : 1 and 0.38 : 1, respectively and in the separate financial statements was 0.35 : 1 and 0.32: 1 respectively.

**29. Contingent liability**

The Company pledged the directors' government bonds as collaterals to the Metropolitan Electricity Authority for using the electricity amounting to 558,400 Baht.

**30. Other information**

As at 31 December 2015 and 2014, net asset per share in the consolidated financial statements was 15.36 Baht per share and Baht 14.19 per share, respectively and in the separate financial statements was 14.69 Baht per share and 12.46 Baht per share, respectively.

**31. Approval of financial statements**

The financial statements have been approved by the Company's Board of Directors on 24 February 2016.