

Prakit Holdings Public Company Limited
and its Subsidiaries
Financial Statements
and
Independent Auditor's Report
1 January 2018 to 31 December 2018

Independent Auditor's Report

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

Opinion

I have audited the consolidated financial statements of Prakit Holdings Public Company Limited and its subsidiaries (the Group) and the separate financial statements of Prakit Holdings Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position as at 31 December 2018, and the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of Prakit Holdings Public Company Limited and its subsidiaries and the separate financial position of Prakit Holdings Public Company Limited as at 31 December 2018, and the related consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Key audit matter	How the matter was addressed
<p>Commission income on media agency service</p> <p>For the year ended 31 December 2018, the Group and the Company earns commission income on media agency service amounting to Baht 191 million in consolidated financial statements and Baht 138 million in the separate financial statements. The commission income is recognized when the advertisement is broadcasted and based on commission rate, discount rate and media costs. Accordingly, the timing of revenue recognition and measurement of the commission income is a significant risk of material misstatement to the financial statement of the Group and the Company.</p>	<p>The key audit procedures included, but not limited to, the followings:</p> <ul style="list-style-type: none">• Inquire the management to obtain the agreement and understand criteria of media agency service regarding sale and purchase, discount, and significant change from previous year,• Evaluate and test of key internal control for commission income system.• Analyze the commission rate and compare with the agreement of media agency service.• Perform sampling test to verify supporting documents of commission income, media cost and related discount.• Perform sampling test to verify cash received and trace to the accounting records.• Perform subsequent test to verify media discount received after the reporting period.

Other Information

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

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

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

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

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

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

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

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

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

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

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



(Mr. Thanakorn Fakfaipol)

Certified Public Accountant No. 4879

Bunchikij Co., Ltd.

Bangkok

26 February 2019

Prakit Holdings Public Company Limited and its Subsidiaries

Statements of Financial Position

As at 31 December 2018

Unit : Baht

ASSETS	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
CURRENT ASSETS					
Cash and cash equivalents	5	136,048,545	129,085,052	57,143,863	86,951,525
Current investments					
Private fund	6	32,263,638	31,739,118	32,263,638	31,739,118
Others	7	238,066,970	323,986,029	230,246,064	262,928,877
Current portion of held-to-maturity debt securities	11	15,000,000	12,001,000	15,000,000	12,001,000
Trade accounts and other receivables	8	364,922,279	350,077,955	309,934,986	266,019,448
Short-term loan to related party	4.6	42,000,000	10,000,000	20,000,000	-
Other current assets		14,553,130	17,956,077	7,169,321	6,983,095
Total current assets		842,854,562	874,845,231	671,757,872	666,623,063
NON-CURRENT ASSETS					
Bank deposit used as collateral	9	30,000,000	30,000,000	30,000,000	30,000,000
Investments in joint venture, associated and subsidiary companies	10	117,770,347	117,292,202	165,454,840	165,454,840
Other long-term investments	11	122,083,510	114,633,148	122,083,510	114,633,148
Loans to employees	12	125,000	90,000	-	-
Investment property	13	46,215,000	46,215,000	46,215,000	46,215,000
Property, plant and equipment	14	104,669,338	99,319,226	103,314,083	98,753,015
Intangible assets		7	2,530	4	2,527
Deferred tax assets	15	13,060,990	6,870,235	7,257,964	3,215,659
Other non-current assets		11,840,567	11,643,950	-	-
Total non-current assets		445,764,759	426,066,291	474,325,401	458,274,189
TOTAL ASSETS		1,288,619,321	1,300,911,522	1,146,083,273	1,124,897,252

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

Prakit Holdings Public Company Limited and its Subsidiaries

Statements of Financial Position

As at 31 December 2018

Unit : Baht

LIABILITIES AND EQUITY	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
CURRENT LIABILITIES					
Trade accounts and other payables	16	265,184,026	315,053,041	199,272,318	218,043,837
Accrued income tax		9,174,861	1,950,713	9,174,861	1,950,714
Other current liabilities		37,782,940	34,376,665	20,362,469	17,230,810
Total current liabilities		312,141,827	351,380,419	228,809,648	237,225,361
NON-CURRENT LIABILITIES					
Deferred lease right	17	12,312,254	13,396,737	12,312,254	13,396,737
Employee benefit obligations	18	41,632,538	22,889,447	18,941,927	9,116,328
Other non-current liabilities		540,000	-	540,000	-
Total non-current liabilities		54,484,792	36,286,184	31,794,181	22,513,065
TOTAL LIABILITIES		366,626,619	387,666,603	260,603,829	259,738,426
EQUITY					
Share capital					
Authorized share capital					
94,438,800 common shares of Baht 1 each		94,438,800	94,438,800	94,438,800	94,438,800
Issued and fully paid - up capital					
60,450,262 common shares of Baht 1 each	19	60,450,262	60,450,262	60,450,262	60,450,262
Premium on share capital		193,568,560	193,568,560	193,568,560	193,568,560
Retained earnings					
Appropriated to legal reserve		10,000,000	10,000,000	10,000,000	10,000,000
Unappropriated		675,648,100	659,439,635	641,156,746	613,198,453
Other components of equity		(20,389,579)	(12,440,100)	(19,696,124)	(12,058,449)
Total equity attributable to the Company's shareholders		919,277,343	911,018,357	885,479,444	865,158,826
Non-controlling interests		2,715,359	2,226,562	-	-
Total equity		921,992,702	913,244,919	885,479,444	865,158,826
TOTAL LIABILITIES AND EQUITY		1,288,619,321	1,300,911,522	1,146,083,273	1,124,897,252

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 2018

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
REVENUES					
Revenues from rendering of services	22	243,504,746	323,502,065	64,100,353	91,146,072
Commission income	22	190,747,078	157,060,737	138,225,528	101,218,969
Interest income		5,132,467	4,836,726	3,798,290	3,774,293
Dividend income		2,866,961	1,332,745	9,865,912	4,410,045
Management income		1,860,000	1,895,000	32,623,124	34,448,790
Other revenues		28,656,933	26,807,528	21,565,818	19,296,697
Total revenues		472,768,185	515,434,801	270,179,025	254,294,866
EXPENSES					
Costs of rendering of services		203,885,557	280,517,055	60,320,376	86,537,934
Selling expenses		62,104,087	60,191,482	37,009,128	37,436,737
Administrative expenses		114,142,749	103,762,593	75,313,125	68,908,350
Total expenses		380,132,393	444,471,130	172,642,629	192,883,021
Profit before share of net results from investments in joint venture and associated companies		92,635,792	70,963,671	97,536,396	61,411,845
Share of profit from investments in joint venture and associated companies					
- equity method		773,583	1,940,934	-	-
Profit before income tax		93,409,375	72,904,605	97,536,396	61,411,845
Income tax	25	(18,515,794)	(14,854,855)	(17,339,277)	(11,000,191)
Net profit for the years		74,893,581	58,049,750	80,197,119	50,411,654
Other comprehensive income (loss):					
Items that will not be reclassified to profit or loss					
Actuarial loss	18	(11,924,527)	-	(4,848,270)	-
Share of loss from investments in joint venture company		(369,296)	-	-	-
Income tax effects		2,458,764	-	969,654	-
		(9,835,059)	-	(3,878,616)	-
Items that may be reclassified subsequently to profit or loss					
Gain (loss) of revaluation of available-for-sale investments		(9,547,093)	12,133,194	(9,547,093)	12,133,194
Foreign currency translation differences for foreign operations		(311,804)	(143,482)	-	-
Income tax effects		1,909,418	(2,426,639)	1,909,418	(2,426,639)
		(7,949,479)	9,563,073	(7,637,675)	9,706,555
Other comprehensive income (loss) for the years, net of income tax		(17,784,538)	9,563,073	(11,516,291)	9,706,555
Total comprehensive income for the years		57,109,043	67,612,823	68,680,828	60,118,209
Profit (loss) attributable to:					
Owners of the Company		74,403,734	58,101,059	80,197,119	50,411,654
Non-controlling interests		489,847	(51,309)	-	-
Net profit for the years		74,893,581	58,049,750	80,197,119	50,411,654
Total comprehensive income (loss) attributable to:					
Owners of the Company		56,619,196	67,664,132	68,680,828	60,118,209
Non-controlling interests		489,847	(51,309)	-	-
Total comprehensive income for the years		57,109,043	67,612,823	68,680,828	60,118,209
Earnings per share					
The accompanying notes are an integral part of these financial statements.					
Basic earnings per share	26	1.23	0.96	1.33	0.83

Prakit Holdings Public Company Limited and its Subsidiaries

Consolidated statement of changes in equity

For the year ended 31 December 2018

Unit : Baht

Equity attributable to owners of the Company

Notes	Retained earnings		Other components of equity					Equity		Total equity
	Issued and paid - up share capital	Share premium	Legal reserve	Unappropriated	Fair value	Currency translation differences	Total other components of equity	Equity attributable to owners of the Company	Non-Controlling Interests	
					available-for-sale investments					
Balance at 1 January 2017	54,954,800	193,568,560	10,000,000	612,514,980	(21,765,004)	(238,169)	(22,003,173)	849,035,167	1,546,194	850,581,361
Share dividend	5,495,462	-	-	-	-	-	-	5,495,462	-	5,495,462
Dividend paid	-	-	-	(10,990,960)	-	-	-	(10,990,960)	(700)	(10,991,660)
Change in ownership interests in subsidiaries without a change in control	-	-	-	(185,444)	-	-	-	(185,444)	732,377	546,933
Total comprehensive income (loss) for the year										
Profit for the year	-	-	-	58,101,059	-	-	-	58,101,059	(51,309)	58,049,750
Other comprehensive income	-	-	-	-	9,706,555	(143,482)	9,563,073	9,563,073	-	9,563,073
Balance at 31 December 2017	60,450,262	193,568,560	10,000,000	659,439,635	(12,058,449)	(381,651)	(12,440,100)	911,018,357	2,226,562	913,244,919
Balance at 1 January 2018	60,450,262	193,568,560	10,000,000	659,439,635	(12,058,449)	(381,651)	(12,440,100)	911,018,357	2,226,562	913,244,919
Dividend paid	-	-	-	(48,360,210)	-	-	-	(48,360,210)	(1,050)	(48,361,260)
Total comprehensive income (loss) for the year										
Profit for the year	-	-	-	74,403,734	-	-	-	74,403,734	489,847	74,893,581
Other comprehensive income (loss)										
Actuarial loss	-	-	-	(9,539,622)	-	-	-	(9,539,622)	-	(9,539,622)
Share of loss from investments in joint venture company	-	-	-	(295,437)	-	-	-	(295,437)	-	(295,437)
Others	-	-	-	-	(7,637,675)	(311,804)	(7,949,479)	(7,949,479)	-	(7,949,479)
Balance at 31 December 2018	60,450,262	193,568,560	10,000,000	675,648,100	(19,696,124)	(693,455)	(20,389,579)	919,277,343	2,715,359	921,992,702

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

Prakit Holdings Public Company Limited and its Subsidiaries

Separate statement of changes in equity

For the year ended 31 December 2018

Unit : Baht

	Notes	Issued and		Retained earnings		Other components of	Total
		paid - up share capital	Share premium	Legal reserve	Unappropriated	equity	
						Fair value changes in available-for-sale investments	equity
Balance at 1 January 2017		54,954,800	193,568,560	10,000,000	573,777,759	(21,765,004)	810,536,115
Share dividend	21	5,495,462	-	-	-	-	5,495,462
Dividend paid	21	-	-	-	(10,990,960)	-	(10,990,960)
Total comprehensive income (loss) for the year							
Profit for the year		-	-	-	50,411,654	-	50,411,654
Other comprehensive income		-	-	-	-	9,706,555	9,706,555
Balance at 31 December 2017		60,450,262	193,568,560	10,000,000	613,198,453	(12,058,449)	865,158,826
Balance at 1 January 2018		60,450,262	193,568,560	10,000,000	613,198,453	(12,058,449)	865,158,826
Dividend paid	21	-	-	-	(48,360,210)	-	(48,360,210)
Total comprehensive income (loss) for the year							
Profit for the year		-	-	-	80,197,119	-	80,197,119
Other comprehensive income (loss)							
Actuarial loss		-	-	-	(3,878,616)	-	(3,878,616)
Others		-	-	-	-	(7,637,675)	(7,637,675)
Balance at 31 December 2018		60,450,262	193,568,560	10,000,000	641,156,746	(19,696,124)	885,479,444

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 2018

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Cash flows from operating activities					
Profit for the years		74,893,581	58,049,750	80,197,119	50,411,654
Adjustments to net cash from operating activities					
Depreciation	14	9,171,725	7,924,972	8,871,455	7,715,617
Amortisation of intangible assets		2,523	9,999	2,523	9,999
Bad debts		1,281,350	-	-	-
Impairment loss from investment		-	3,142,837	-	3,142,837
(Gain) loss on sales of current and long-term investments		(3,540,153)	(2,391,629)	(4,131,645)	(2,666,804)
(Gain) loss on adjustment of fair value of current investments		(2,009,808)	(5,041,104)	(1,026,106)	(4,189,396)
(Gain) loss on sale of equipment		(179,168)	(224,870)	(185,264)	(336,444)
Provisions for employee benefits	18	10,588,964	2,214,680	5,306,729	801,889
Revenue from deferred lease right		(1,084,483)	(1,084,483)	(1,084,483)	(1,084,483)
Dividend income		(2,866,961)	(1,332,745)	(9,865,912)	(4,410,045)
Interest income		(5,132,467)	(4,836,726)	(3,798,290)	(3,774,293)
Share of (profit) loss from associated companies and joint venture - equity method		(773,583)	(1,940,934)	-	-
Unrealized (gain) loss from exchange rates		75,497	43,555	-	-
Income tax expense	25	18,515,794	14,854,855	17,339,277	11,000,190
		98,942,811	69,388,157	91,625,403	56,620,721
Changes in operating assets and liabilities					
Current investments sold	7	176,071,218	142,061,573	122,442,761	112,051,581
Addition to current investments	7	(88,382,672)	(80,000,000)	(88,382,672)	(60,000,000)
Trade accounts and other receivables		(15,974,628)	(105,904,099)	(43,702,112)	(98,208,232)
Other current assets		7,714,066	(16,951,907)	(186,226)	(2,863,308)
Other non-current assets		(196,616)	441,549	-	-
Trade accounts and other payable		(49,869,013)	12,606,925	(18,771,520)	10,082,786
Other current liabilities		3,406,273	7,343,530	3,131,659	4,002,955
Other non-current liabilities		540,000	-	540,000	-
Employee benefit obligations paid	18	(3,770,400)	(836,000)	(329,400)	(836,000)
Cash provided by (used in) operating activities		128,481,039	28,149,728	66,367,893	20,850,503
Income tax paid		(17,499,197)	(3,001,953)	(11,278,363)	(8,748,443)
Net Cash provided by (used in) operating activities		110,981,842	25,147,775	55,089,530	12,102,060

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 2018

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Cash flows from investing activities					
Loans to employees		(200,000)	(200,000)	-	-
Repayments from employees		130,000	280,000	25,000	180,000
Short-term loans to related parties	4.6	(32,000,000)	(10,000,000)	(20,000,000)	-
Increase in long-term investment	11	(80,193,959)	(36,428,427)	(80,193,959)	(36,428,427)
Proceeds from redemption of long-term investments	11	12,001,000	28,000,000	12,001,000	28,000,000
Proceeds from sales of long-term investments		51,452,459	33,355,320	51,452,459	33,355,320
Purchases of property, plant and equipment	14	(14,951,542)	(10,034,644)	(13,826,697)	(9,734,097)
Proceeds from sale of equipment		579,439	336,649	579,439	336,449
Dividend received		2,866,961	2,410,745	9,865,912	4,410,045
Interest received		4,940,924	4,354,198	3,559,864	3,879,743
Net cash provided by (used in) investing activities		(55,374,718)	12,073,841	(36,536,982)	23,999,033
Cash flows from financing activities					
Dividend paid	21	(48,360,210)	(5,495,498)	(48,360,210)	(5,495,498)
Dividend paid to non-controlling interests		(1,050)	(700)	-	-
Net cash provided by (used in) financing activities		(48,361,260)	(5,496,198)	(48,360,210)	(5,495,498)
Net increase (decrease) in cash and cash equivalents		7,245,864	31,725,418	(29,807,662)	30,605,595
Cash and cash equivalents at 1 January		129,085,052	97,478,142	86,951,525	56,345,930
Gain (loss) from currency translation of foreign subsidiaries financial statements		(282,371)	(118,508)	-	-
Cash and cash equivalents at 31 December		136,048,545	129,085,052	57,143,863	86,951,525
Non-cash transactions					
Unutilized credit facilities for future working capital		41,000,000	41,000,000	1,000,000	1,000,000

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For year ended 31 December 2018

1. General information

Prakit Holdings Public Company Limited (“the Company”), is incorporated in Thailand and has its registered office at 88 Soi Sukhumvit 62, 3rd intersection, Sukhumvit Road, Phra Kanong Tai, Prakanong, Bangkok, Thailand.

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

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

The Company and its subsidiaries (“the Group”) is principally engaged in the production of media and advertisement, media agency, investing in securities and providing the management service to subsidiary, and affiliated companies. Details of the Company’s subsidiaries as at 31 December 2018 and 2017 are disclosed in note 10.

2. Basis for preparation and presentation of the financial statements

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

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

2.3 New and Revised Thai Financial Reporting Standards

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

The Company and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards, Thai Accounting Standards, Thai Financial Reporting Standard Interpretations, Thai Accounting Standard Interpretations, and Guidelines promulgated by the Federation of Accounting Professions that are effective for accounting periods beginning on or after January 1, 2018. The adoption of these standards, interpretations and guidelines does not have any material effect on the Company’s and its subsidiaries financial statements.

2.3.2 The Financial Reporting Standards that have not yet been effective in the current accounting period.

The Federation of Accounting Professions also has promulgated the new and revised Thai Financial Reporting Standards, Thai Accounting Standards, Thai Financial Reporting Standard Interpretations, Thai Accounting Standard Interpretations and Guidelines that have not yet been effective in the current accounting period. However, the following new and revised standards and interpretations have certain changes to their key principles:

Thai Financial Reporting Standard No. 15: Revenue from Contracts with Customers is effective for the accounting periods beginning on or after 1 January 2019 and to replace the following standards and interpretations:

Thai Accounting Standards

TAS 11 (Revised 2017)

Construction Contracts

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

TAS 18 (Revised 2017)	Revenue
Thai Accounting Standard Interpretation	
TSIC 31 (Revised 2017)	Revenue - Barter Transactions Involving Advertising Services
Thai Financial Reporting Standard Interpretations	
TFRIC 13 (Revised 2017)	Customer Loyalty Programmes
TFRIC 15 (Revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (Revised 2017)	Transfers of Assets from Customers

According to the assessment made by the management of the Company and its subsidiaries, there will be no material effect on the financial statements in the period that the aforesaid standard is applied.

The followings are Thai Financial Reporting Standards, Thai Accounting Standard and Interpretations that are relevant to financial instruments and effective for the accounting periods beginning on or after 1 January 2020:

Thai Accounting Standard

TAS 32	Financial Instruments : Presentation
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Thai Financial Reporting Standards

TFRS 7	Financial Instruments : Disclosures
TFRS 9	Financial Instruments

Thai Financial Reporting Standard Interpretations

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The management of the Company and its subsidiaries are in the process of assessing the effects on the financial statements in the year that the aforesaid standards and interpretations are applied.

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

2.6 Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 13 Investment property
- Note 27 Financial instruments

3. Significant accounting policies

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

3.1 Basis of consolidation

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

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

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an equity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

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

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

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

Associates

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

Investments in associates 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

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

Investment in joint venture is 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 the financial statements (Continued)

For the year ended 31 December 2018

3.2 Foreign currencies**Foreign currency transactions**

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

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

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

Foreign operations

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

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

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

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

3.3 Cash and cash equivalents

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

3.4 Trade and other accounts receivable

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

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

3.5 Investments**Investments in joint venture, associates and subsidiaries**

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Investments in other debt and equity securities

Debt 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 property

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

Investment property is stated at cost less impairment loss.

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

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

3.7 Property, plant and equipment**Recognition and measurement****Owned assets**

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

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	8 - 30	years
Leasehold asset and improvement	5	Years
Furniture and fixtures	5 - 10	Years
Office equipment	3 - 10	Years
Vehicles	5	Years

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

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

3.8 Intangible assets

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

Amortisation

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

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

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

3.9 Impairment of assets

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

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

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

Calculation of recoverable amount

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

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

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

3.10 Trade and other accounts payable

Trade and other accounts payable are stated at cost.

3.11 Deferred lease right

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

3.12 Employee benefits**Defined contribution plans**

Obligations for contributions to the registered provident fund are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

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

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

Termination benefits

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

Short-term employee benefits

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

3.13 Provisions

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

3.14 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 property, 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 on the accrual basis.

3.15 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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

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 on the accrual basis.

3.16 Income tax

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

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

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. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. 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.

3.17 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.

3.18 Segment reporting

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

4. Related parties

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

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

Related parties	Country/ Nationality	Relationships
62 Content & Design Ltd.	Thailand	Common shareholders and/or directors
Double P Marketing Communications Ltd.	Thailand	Common shareholders and/or directors
DRAFT Advertising (Cambodia) Limited	Cambodia	Common shareholders
Prakit and Sons Limited	Thailand	Common shareholders and/or directors
Haadsaikaew Bankrut Resort Limited Partnership	Thailand	Common shareholders and/or directors
Mr. Chantup Desabaedya	Thai	Directors of a subsidiary

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

Transaction	Explanation
Service income	The fees are charged at the same condition and basis as general customers
Cost of service	The mutually agreed rate
Sale of vehicle	The mutually agreed price
Sale of investment property	Appraisal value by independent appraiser
Office rental	Based on the space rate charged to other tenants
Management agreement	The mutually agreed rate
Dividend income	As declared by the invested entities
Interest income	MOR of a Commercial bank

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

The related party transactions for each of the years ended 31 December 2018 and 2017 are detailed as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2561	2560	2561	2560
Subsidiary companies				
Management income	-	-	30,763	32,554
Rental income	-	-	3,107	3,107
Dividend income	-	-	6,998	1,999
Other income	-	-	1,099	1,189
Service income	-	-	9	-
Other expenses	-	-	150	-
Costs of services	-	-	7,997	15,182
Associate				
Dividend income	-	-	-	588
Joint Venture				
Service income	6,187	4,876	343	-
Commission income	568	385	568	385
Management income	1,800	1,800	1,800	1,800
Rental income	360	360	360	360
Interest income	1,584	833	382	-
Other income	89	87	89	87
Costs of services	60	716	-	-
Other related parties				
Service income	6,066	3,859	5,592	1,915
Commission income	1,244	2,323	1,244	2,323
Management income	60	95	60	95
Rental income	668	625	668	625
Sale of investment (Note 10)	-	165	-	165
Other income	144	2,539	144	112
Costs of services	9,985	14,389	726	6,085
Sale of vehicles	470	-	470	-
Key management remuneration				
Short - term benefits	27,039	26,418	16,914	16,078
Post-employment benefits	6,965	339	5,265	196

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Balances as at 31 December 2018 and 2017 with related parties are detailed as follows:

4.1 Trade accounts receivable-related parties

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Subsidiary companies				
Prakit Advertising Ltd.	-	-	39,108	27,156
Marketing Drive Worldwide (Thailand) Ltd.	-	-	367	333
Joint Venture				
Bangkok Writer and Partners Co., Ltd.	11,405	8,128	1,226	770
Other related parties				
Double P Marketing Communications Ltd.	359	625	231	571
62 Content & Design Ltd.	904	1,878	37	-
DRAFT Advertising (Cambodia) Ltd.	235	1	-	1
Total	12,903	10,632	40,969	28,831
Less Allowance for doubtful account	-	-	-	-
Net	12,903	10,632	40,969	28,831

As at 31 December 2018 and 2017, aging analyses of trade accounts receivable from related companies are detailed as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Within credit terms	2,335	2,414	10,417	10,077
Overdue:				
Less than 3 months	1,884	1,554	8,708	9,328
3 - 6 months	2,332	1,763	8,223	9,281
6 - 12 months	3,281	3,617	13,584	145
Over 12 months	3,071	1,284	37	-
Total	12,903	10,632	40,969	28,831
Less Allowance for doubtful account	-	-	-	-
Net	12,903	10,632	40,969	28,831

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

4.2 Media receivable-related parties

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Subsidiary companies				
Prakit Advertising Ltd.	-	-	16,322	6,856
Marketing Drive Worldwide (Thailand) Ltd.	-	-	27,310	33,287
Prakit Advertising Co., Ltd. (Myanmar)	-	-	276	-
Joint Venture				
Bangkok Writer and Partners Co.,Ltd.	14,826	16,498	14,826	16,498
Other related parties				
DRAFT Advertising (Cambodia) Ltd.	-	136	-	136
Double P Marketing Communication Ltd.	20,853	14,757	20,853	14,757
62 Content & Design Ltd.	-	8	-	8
Total	35,679	31,399	79,587	71,542

As at 31 December 2018 and 2017, aging analyses of media accounts receivable from related companies are detailed as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Within credit terms	15,459	10,975	43,650	15,225
Overdue:				
Less than 3 months	17,354	7,326	22,244	25,107
3 - 6 months	2,866	9,294	2,866	22,453
6 - 12 months	-	3,804	7,160	8,757
Over 12 months	-	-	3,667	-
Total	35,679	31,399	79,587	71,542
Less Allowance for doubtful account	-	-	-	-
Net	35,679	31,399	79,587	71,542

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

4.3 Advances to related parties

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	2018	2017	2018	2017
Subsidiary company				
Prakit Advertising Co., Ltd. (Myanmar)	-	-	-	2,903
Other related parties				
DRAFT Advertising (Cambodia) Ltd.	2,302	2,314	-	-
Total	2,302	2,314	-	2,903
Less Allowance for doubtful account	-	-	-	-
Net	2,302	2,314	-	2,903

4.4 Receivables for shares

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	2018	2017	2018	2017
Related party				
Mr. Chantup Desabaedya	-	165	-	165

4.5 Accrued interest income

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	2018	2017	2018	2017
Joint Venture				
Bangkok Writer and Partners Co., Ltd.	923	588	382	-

4.6 Short-term loans to a related party

	Interest Rate per annum	Consolidated		Unit : Thousand Baht	
		financial statements		Separate	
		2018	2017	2018	2017
Joint Venture					
Bangkok Writer and Partners Co., Ltd.	5.0,7.375	42,000	10,000	20,000	-

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Movements during the years ended 31 December of short-term loans to related party are as follows:

Short-term loans to related party	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Joint Venture				
At 1 January	10,000	-	-	-
Increase	42,000	15,000	20,000	-
Decrease	(10,000)	(5,000)	-	-
Balance as at 31 December	42,000	10,000	20,000	-

4.7 Trade accounts payable-related parties

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Subsidiary companies				
Prakit Advertising Ltd.	-	-	19,237	18,674
Marketing Drive Worldwide (Thailand) Ltd.	-	-	1,932	342
Prakit Advertising Co., Ltd. (Myanmar)	-	-	16,369	10,226
Joint Venture				
Bangkok Writer and Partners Co., Ltd.	161	-	-	-
Other related party				
62 Content & Design Ltd.	5,513	6,314	218	1,313
Total	5,674	6,314	37,756	30,555

4.8 Billing agent payable - related party

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
DRAFT Advertising (Cambodia) Ltd.	46,866	57,837	17,596	29,441

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

4.9 Payables for shares – related party

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Prakit Advertising Co., Ltd.(Myanmar)	-	-	-	575

4.10 Other matters

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

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

Two subsidiary companies have entered into agreements to rent office spaces from the Company for periods of 3 years ended December 2018 and ending December 2020, respectively, with the monthly rental rates at Baht 40,000 and Baht 113,200, respectively.

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

A subsidiary has entered into an agreement to lease office equipment and vehicle from the Company for a period of 3 years ending December 2020, with the monthly rental rate at Baht 105,738.

A joint-venture company has entered into an agreement to rent office space from the Company for a period of 2 years and 7 months ending December 2019, with the monthly rental rate at Baht 30,000.

The Company has entered into agreements to provide management services to 2 subsidiary companies for a period of 2 years ended December 2018, with the monthly service rates at Baht 2,289,055 plus 1% of media cost for the first subsidiary and at Baht 32,000 for the second subsidiary. The Company has also entered into an agreement to provide management service to a joint-venture company for a period of 2 years ended December 2018 with the monthly service rate at Baht 150,000.

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

5. Cash and cash equivalents

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash on hand	90	9,474	45	45
Cash at banks – current accounts	5,735	2,894	1,978	1,607
Cash at banks – savings accounts	130,224	116,717	55,121	85,300
Total	136,049	129,085	57,144	86,952

6. Current investments – investment in Private Fund

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

As at 31 December 2018 and 2017, investment in private fund is consisted of.

	Unit : Thousand Baht	
	Consolidated and Separate financial statements	
	2018	2017
Unit fund	20,000	20,000
Unrealized gain on fair value adjustment	12,264	11,739
Total	32,264	31,739

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

As at 31 December 2018 and 2017, the Company received the investment report from the assets management company, the manager of the above- mentioned fund, which is detailed as follows:

	Unit : Thousand Baht	
	Consolidated and Separate	
	financial statements	
	2018	2017
Cash on hand and at banks		
Deposits	1,631	1,884
Investments in securities- fair value		
Debt securities		
Debentures	19,076	16,268
Bonds	4,985	5,987
Open-End Fund	6,460	7,493
Other assets and liabilities		
Other assets	123	118
Other liabilities	(11)	(11)
Total	32,264	31,739

7. Current investments – others

As at 31 December 2018 and 2017 current investments – others are consisted of :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trading securities				
Marketable equity securities	8,112	3,929	8,112	3,929
Gain (loss) on fair value adjustment	(1,060)	1,254	(1,060)	1,254
Total	7,052	5,183	7,052	5,183
Unit fund	228,185	316,249	220,756	255,769
Gain (loss) on fair value adjustment	2,830	2,554	2,438	1,977
Total	231,015	318,803	223,194	257,746
Net	238,067	323,986	230,246	262,929

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

The movements of current investments for each of the years ended 31 December 2018 and 2017 are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Balances at beginning of the years	323,986	382,240	262,929	311,749
Acquisition	88,383	80,000	88,383	60,000
Disposal	(176,072)	(142,062)	(122,444)	(112,051)
Total	236,297	320,178	228,868	259,698
Gain from fair value adjustment	1,770	3,808	1,378	3,231
Net	238,067	323,986	230,246	262,929

8. Trade accounts receivable and other receivables

As at 31 December 2018 and 2017, trade accounts receivable and other receivables are detailed as follows :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade accounts receivable				
Trade accounts receivable				
Related parties	12,903	10,632	40,969	28,831
Other parties – net	36,276	46,141	13,232	15,595
Media receivables				
Related parties	35,679	31,399	79,587	71,542
Other parties – net	219,529	198,805	140,842	107,116
Other receivables				
Billing agent receivables	22,900	16,761	13,703	8,707
Advances to related parties	2,302	2,314	-	2,903
Receivable of share	-	165	-	165
Advanced payments for media	9,079	30,425	2,345	24,733
Accrued income	19,765	7,797	14,988	5,849
Accrued income from a related party	923	588	382	-
Advanced payments – others	80	127	60	57
Others	5,486	4,924	3,827	521
Net	364,922	350,078	309,935	266,019

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

As at 31 December 2018 and 2017, aging analyses of trade accounts receivable from other companies are detailed as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Within credit terms	13,448	23,492	2,673	10,548
Overdue:				
Less than 3 months	14,988	20,540	4,401	4,089
3-6 months	7,551	1,211	6,106	826
6-12 months	392	790	52	24
Over 12 months	4,574	4,462	2,042	2,150
Total	40,953	50,495	15,274	17,637
Less allowance for doubtful accounts	(4,677)	(4,354)	(2,042)	(2,042)
Net	36,276	46,141	13,232	15,595

As at 31 December 2018 and 2017, aging analyses of media receivables from other companies are detailed as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Within credit terms	78,716	95,170	40,362	46,604
Overdue:				
Less than 3 months	137,704	91,174	97,517	52,863
3-6 months	2,621	6,680	2,487	1,884
6-12 months	488	1,161	476	1,154
Over 12 months	11,911	15,483	3,647	8,258
Total	231,440	209,668	144,489	110,763
Less allowance for doubtful accounts	(11,911)	(10,863)	(3,647)	(3,647)
Net	219,529	198,805	140,842	107,116

9. Bank Deposit used as collateral

	Unit : Thousand Baht			
	Consolidated/ Separate financial statements			
	2018		2017	
	Amount	Interest Rate	Amount	Interest Rate
Time deposit – used as collateral				
for bank overdraft	30,000	1.85%	30,000	1.85%
Total	30,000		30,000	

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

10. Investments in joint venture , associated and subsidiary companies

As at 31 December 2018

Unit : Thousand Baht

Consolidated financial statements						
Entitles' Name	Type of business	Paid-up share capital (in Baht)	Investment Ownership (%)	Valuation		Dividend received
				Cost method	Equity method	
Associated Companies						
Direct Response (Thailand) Ltd.	Advertising	2,000,000	49.00	1,421	945	-
Sukhumvit 62 Medical Ltd.	Hospital	428,625,000	35.41	150,375	93,712	-
Joint Venture (Held by a subsidiary)						
Bangkok Writer and Partners Co., Ltd.	Advertising	10,000,000	42.00	16,800	23,113	-
					117,770	-

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

As at 31 December 2017

Unit : Thousand Baht

Consolidated financial statements

Entitles' Name	Type of business	Paid-up share capital (in Baht)	Investment Ownership (%)	Valuation		
				Cost method	Equity method	Dividend received
Associated Companies						
Direct Response (Thailand) Ltd.	Advertising	2,000,000	49.00	1,421	952	588
Sukhumvit 62 Medical Ltd.	Hospital	428,625,000	35.41	150,375	93,607	-
Joint Venture (Held by a subsidiary)						
Bangkok Writer and Partners Co., Ltd.	Advertising	10,000,000	42.00	16,800	22,733	-
					<u>117,292</u>	<u>588</u>

Unit : Thousand Baht

Investments in subsidiaries

	Note	Separate financial statement	
		2018	2017
At 1 January		13,659	13,249
Disposals		-	(165)
Additional paid up capital		-	575
Total		<u>13,659</u>	<u>13,659</u>
Less Allowance for impairment of investment in subsidiary		-	-
Total investments in subsidiaries		<u>13,659</u>	<u>13,659</u>

Disposals

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

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

As at 31 December 2018 and 2017

Unit : Thousand Baht

Separate financial statements								
Entitles' Name	Type of business	Paid-up share		Valuation of investments		Dividend		
		Capital (in Baht/ US\$)	Investment Ownership (%)		by cost method		2018	2017
			2018	2017	2018	2017		
Subsidiary Companies								
Prakit Advertising Ltd	Advertising	10,000,000	99.99	99.99	9,999	9,999	4,999	-
Prakit&FCB (Cambodia) Co., Ltd.	Advertising	25,000 US\$	80.00	80.00	507	507	-	-
Marketing Drive Worldwide (Thailand) Limited								
Prakit Advertising Co.,Ltd.(Myanmar)	Advertising	2,000,000	99.965	99.965	1,999	1,999	1,999	1,999
		50,000 US\$	70.00	70.00	1,154	1,154	-	-
					13,659	13,659		
Associated Companies								
Direct Response (Thailand) Limited	Advertising	2,000,000	49.00	49.00	1,421	1,421	-	588
Sukhumvit 62 Medical Limited	Hospital	428,625,000	35.41	35.41	150,375	150,375	-	-
Total					165,455	165,455	6,998	2,587
Less Allowance for impairment loss					-	-	-	-
Total investments					165,455	165,455		

Unit : Thousand Baht

	Direct response (Thailand) Ltd.		Bangkok Writer and Partners Ltd.		Sukhumvit 62 Medical Ltd.	
	2018	2017	2018	2017	2018	2017
	Total assets	1,964	1,976	143,159	93,855	431,929
Total liabilities	6	5	118,128	69,729	3,203	2,959
Total income	7	9	254,188	193,100	1,286	1,495
Profit (loss) for the years	(14)	(288)	1,608	4,158	296	948
Comprehensive income (loss) for years	-	-	(703)	-	-	-
Share of profit (loss) on equity method	(7)	(141)	675	1,746	105	336
Share of comprehensive income (loss) on equity method	-	-	(295)	-	-	-
Group share of net asset	959	966	10,513	10,133	151,812	151,707

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

11. Other Long-Term Investments

Unit : Thousand Baht

As at 31 December 2018

Consolidated/ Separate financial statements

	Consolidated/ Separate financial statements			
	Available for Sale Securities	Held to Maturity	Other Investments	Total
Debt Securities - at cost	-	62,000	-	62,000
Unrealized gain (loss) on fair value adjustment	-	-	-	-
	-	62,000	-	62,000
Less Current portion of held to maturity debt securities	-	(15,000)	-	(15,000)
Total debt securities	-	47,000	-	47,000
Equity Securities - at cost	99,704	-	3,143	102,847
Unrealized gain (loss) on fair value adjustment	(24,620)	-	-	(24,620)
Allowance for impairment from investment	-	-	(3,143)	(3,143)
Total equity securities	75,084	-	-	75,084
Net	75,084	47,000	-	122,084

Unit : Thousand Baht

As at 31 December 2017

Consolidated/ Separate financial statements

	Consolidated/ Separate financial statements			
	Available for Sale Securities	Held to Maturity	Other Investments	Total
Debt Securities - at cost	-	57,001	-	57,001
Unrealized gain (loss) on fair value adjustment	-	-	-	-
	-	57,001	-	57,001
Less Current portion of held to maturity debt securities	-	(12,001)	-	(12,001)
Total debt securities	-	45,000	-	45,000
Equity Securities - at cost	79,841	-	3,143	82,984
Unrealized gain (loss) on fair value adjustment	(14,337)	-	-	(14,337)
Allowance for impairment from investment	-	-	(3,143)	(3,143)
Total equity securities	65,504	-	-	65,504
Unit fund – at cost	4,866	-	-	4,866
Unrealized gain (loss) on fair value adjustment	(737)	-	-	(737)
Total unit fund	4,129	-	-	4,129
Net	69,633	45,000	-	114,633

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Movements of long-term investments for each of the years ended 31 December 2018 and 2017 are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Balances of beginning balance of the years	126,634	130,959	126,634	130,959
Acquisition	80,194	36,428	80,194	36,428
Redemption	(12,001)	(28,000)	(12,001)	(28,000)
Disposal	(48,196)	(21,743)	(48,196)	(21,743)
Total	146,631	117,644	146,631	117,644
Loss from reclassification of equity security	-	(3,143)	-	(3,143)
Unrealized gain (loss) on fair value adjustment	(9,547)	12,133	(9,547)	12,133
Net investments	137,084	126,634	137,084	126,634
Less Current portion of held to maturity debt securities	(15,000)	(12,001)	(15,000)	(12,001)
Net	122,084	114,633	122,084	114,633

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

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

As at 31 December 2018, Investments of the Company included Lottery Savings in the total amount of Baht 2 million with carrying interest rates at 0.33% per annum, and due for redemption on 20 August 2021.

12. Loans to employees

As at 31 December 2018 and 2017, the movements of loans to employees are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Balances of beginning of the years	175	255	25	205
Add increase during the years	200	200	-	-
Total	375	455	25	205
Less decrease during the years	(130)	(280)	(25)	(180)
Balances at the end of the years	245	175	-	25
Less current portion of due within 1 year	(120)	(85)	-	(25)
Net	125	90	-	-

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

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

13. Investment property

As at 31 December 2018, the investment property represents investment in land for lease at the cost value of Baht 46.22 million (2017 : Baht 46.22 million), while the approximate fair value is approximately Baht 125.32 million (2017 : Baht 125.32 million).

Measurement of fair value

The fair value of investment property was assessed by external independent property appraiser, with appropriate professional qualifications and experiences. The Group has its policy to reassess the fair value of the Group's investment property for every 5 years.

The fair value measurement for investment properties of Baht 125.32 million (**2017: Baht 125.32 million**) has been categorised as a level 2 fair value based on the inputs to the valuation technique used.

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

14. Property, plant and equipment

Unit : Thousand Baht

	Consolidated financial statements								
	Land	Buildings and improvement	Land improvement	Leasehold asset improvement	Furniture and fixtures	Office equipment	Vehicles	Construction in progress	Total
At Cost									
As at 1 January 2017	54,811	95,032	2,699	307	16,218	17,080	20,345	-	206,492
Purchases	-	-	-	-	6,141	2,594	1,300	-	10,035
Disposals	-	-	-	(252)	(8)	(867)	(5,500)	-	(6,627)
As at 31 December 2017	54,811	95,032	2,699	55	22,351	18,807	16,145	-	209,900
Purchases	-	-	-	-	235	3,485	3,506	7,725	14,951
Disposals	-	-	-	-	(1,194)	(463)	(3,818)	-	(5,475)
As at 31 December 2018	54,811	95,032	2,699	55	21,392	21,829	15,833	7,725	219,376
Accumulated depreciation									
As at 1 January 2017	-	66,860	1,810	160	10,666	13,332	16,317	-	109,145
Depreciation for the year	-	4,086	90	11	1,605	1,228	905	-	7,925
Disposals	-	-	-	(140)	(3)	(847)	(5,499)	-	(6,489)
As at 31 December 2017	-	70,946	1,900	31	12,268	13,713	11,723	-	110,581
Depreciation for the year	-	4,085	90	11	2,449	1,592	944	-	9,171
Disposals	-	-	-	-	(1,187)	(434)	(3,424)	-	(5,045)
As at 31 December 2018	-	75,031	1,990	42	13,530	14,871	9,243	-	114,707
Net book Value									
As at 31 December 2017	54,811	24,086	799	24	10,083	5,094	4,422	-	99,319
As at 31 December 2018	54,811	20,001	709	13	7,862	6,958	6,590	7,725	104,669

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Unit : Thousand Baht

	Separate financial statements							Total
	Land	Buildings and improvement	Land improvement	Furniture and fixtures	Office equipment	Vehicles	Construction in progress	
At Cost								
As at 1 January 2017	54,811	95,032	2,699	15,921	13,860	18,617	-	200,940
Purchases	-	-	-	6,127	2,307	1,300	-	9,734
Disposals	-	-	-	-	(476)	(5,500)	-	(5,976)
As at 31 December 2017	54,811	95,032	2,699	22,048	15,691	14,417	-	204,698
Purchase	-	-	-	233	3,297	2,572	7,725	13,827
Disposal	-	-	-	(1,179)	(194)	(3,819)	-	(5,192)
As at 31 December 2018	54,811	95,032	2,699	21,102	18,794	13,170	7,725	213,333
Accumulated depreciation								
As at 1 January 2017	-	66,860	1,810	10,472	10,474	14,589	-	104,205
Depreciation for the year	-	4,086	90	1,572	1,064	905	-	7,717
Disposals	-	-	-	-	(477)	(5,500)	-	(5,977)
As at 31 December 2017	-	70,946	1,900	12,044	11,061	9,994	-	105,945
Depreciation for the year	-	4,085	90	2,419	1,394	884	-	8,872
Disposals	-	-	-	(1,179)	(194)	(3,425)	-	(4,798)
As at 31 December 2018	-	75,031	1,990	13,284	12,261	7,453	-	110,019
Net book Value								
As at 31 December 2017	54,811	24,086	799	10,004	4,630	4,423	-	98,753
As at 31 December 2018	54,811	20,001	709	7,818	6,533	5,717	7,725	103,314

As at 31 December 2018 and 2017, certain portions of land and buildings at the value of Baht 74.81 million and Baht 78.73 million, respectively have been mortgaged to secure the bank overdraft of a subsidiary.

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

15. Deferred tax

Deferred tax assets and liabilities as at 31 December 2018 and 2017 are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deferred tax assets	15,165	9,256	9,336	5,466
Deferred tax liabilities	(2,104)	(2,386)	(2,078)	(2,250)
Net	13,061	6,870	7,258	3,216

Movements in deferred tax assets and liabilities during for the years ended 31 December 2018 and 2017 are detailed as follows:

Unit : Thousand Baht

	Consolidated financial statements				
	1 January 2018	(Charged) / Credited to:			31 December 2018
		Profit or loss	Other comprehen- sive income	Recognized direct to Equity	
Deferred tax assets					
Trade accounts receivable	1,035	256	-	-	1,291
Investments in others securities	628	-	-	-	628
Investments in marketable securities	3,015	-	1,904	-	4,919
Employee benefit obligations	4,578	2,118	2,385	(754)	8,327
Total	9,256	2,374	4,289	(754)	15,165
Deferred tax liabilities					
Investments in marketable securities	2,386	(277)	(5)	-	2,104
Total	2,386	(277)	(5)	-	2,104
Net	6,870	2,651	4,294	(754)	13,061

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Unit : Thousand Baht

Consolidated financial statements				
	(Charged) / Credited to:			
	Other	Recognized	31	
1 January	Profit or	comprehen-	direct to	December
2017	loss	sive income	Equity	2017
Deferred tax assets				
Trade accounts receivable	1,035	-	-	1,035
Investments in subsidiaries	402	(402)	-	-
Investments in others securities	-	628	-	628
Investment in marketable securities	5,441	-	(2,426)	3,015
Employee benefit obligations	4,303	275	-	4,578
Total	11,181	501	(2,426)	9,256
Deferred tax liabilities				
Investments in marketable securities	1,779	607	-	2,386
Total	1,779	607	-	2,386
Net	9,402	(106)	(2,426)	6,870

Unit : Thousand Baht

Separate financial statements				
	(Charged) / Credited to:			
	Other	Recognized	31	
1 January	Profit or	comprehend	direct to	December
2018	loss	sive income	Equity	2018
Deferred tax assets				
Investments in other securities	628	-	-	628
Investments in marketable securities	3,014	-	1,904	4,918
Employee benefit obligations	1,824	1,061	(65)	3,790
Total	5,466	1,061	(65)	9,336
Deferred tax liabilities				
Investments in marketable securities	2,250	(167)	(5)	2,078
Total	2,250	(167)	(5)	2,078
Net	3,216	1,228	2,879	7,258

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Unit : Thousand Baht

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

16. Trade accounts and other payables

As at 31 December 2018 and 2017, trade accounts payable and other payables are consisted of :

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade accounts payable				
Trade accounts and notes payable				
Related parties	5,674	6,314	37,756	30,555
Other companies	39,726	48,257	4,956	8,475
Media and notes payable				
Other companies	134,365	152,388	112,366	113,559
Total	179,765	206,959	155,078	152,589
Other payables				
Billing agent payable – related parties	46,866	57,837	17,596	29,441
Payable of share from related party	-	-	-	575
Deposits received	18,371	26,309	11,204	21,117
Accrued expenses	9,538	13,292	4,900	3,821
Others	10,644	10,656	10,494	10,501
Total	85,419	108,094	44,194	65,455
Total trade accounts and other payables	265,184	315,053	199,272	218,044

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

17. Deferred lease right

As at 31 December 2018 and 2017, movements of deferred lease right are as follows:

	Unit : Thousand Baht	
	Consolidated and Separate	
	financial statements	
	2018	2017
Deferred lease right	13,397	14,481
Recognised as earnings during the years	(1,085)	(1,084)
Net	12,312	13,397

Deferred lease right is the right represents amount of lease payment received from a company for leasing a plot of land from the Company from the Company for a period of 29 years. Furthermore, the Company receives additional annual rental from the aforesaid contract as follows:

	(in thousand Baht)
	Annual rental income
2016-2020	399
2021-2025	439
2026-2029	483

18. Employee benefit obligations

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Defined benefit obligations at 1 January	22,889	21,511	9,116	9,151
Actuarial loss	11,924	-	4,848	-
Current service cost recognized in profit or loss	9,927	1,590	5,029	524
Interest on obligation recognized in profit or loss	662	624	278	277
Defined benefit obligations paid	(3,770)	(836)	(329)	(836)
Defined benefit obligations at 31 December	41,632	22,889	18,942	9,116

At 31 December 2018, the weighted-average duration of the defined benefit obligation of the Company was 9 years and the subsidiaries were 9 - 16 years).

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Actuarial assumptions at the reporting date are detailed as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	(%)			
Discount rate	2.50-3.13	2.87	2.50	2.87
Turn over rate	3.82-28.65	0-34	4.78-28.65	0-34
Future salary increases	3.00	4.39	3.00	4.39
Mortality rate	According to 2017 Thailand Mortality Ordinary Life Table			

Sensitivity analysis

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

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase	Decrease	Increase	Decrease
Defined benefit obligation 31 December 2018				
Discount Rate (0.50% movement)	(1,371)	1,452	(647)	683
Salary Increase Rate (1.00% movement)	2,944	(2,680)	1,385	(1,265)
Turnover Rate (20.00% movement)	(2,698)	3,023	(1,361)	1,529

Change to severance payment under new Labor Protection Act.

On 13 December 2018, the National Legislative Assembly passed a final resolution to approve the draft of new amendment to the Labor Protection Act. Such draft is currently in the process of announcement being made through the Royal Thai Government Gazette. The aforementioned draft has stipulated that employee who is terminated for an uninterrupted service period of 20 years or more is entitled to receive severance payment for not less than 400 days of the wage at the most recent date of employment. The current maximum severance payment is based on 300 days.

The Group had recorded effects of such change in 2018 resulting have resulted in an increase in the employee benefit obligations of the Company and its subsidiaries in the consolidated financial position as at 31 December 2018 amounting to approximately Baht 8.42 million (the Company's separate financial position on the same date : Baht 4.62 million) and a decrease in the net profit after tax of the Company and its subsidiaries in the consolidated comprehensive income for the year then ended amounting to approximately Baht 6.73 million (the Company's separate comprehensive income after tax for the year then ended : Baht 3.70 million).

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

19. Share Capital

	Par value (Baht)	Unit : Thousand shares/ Baht Thousand			
		2018		2017	
		No. of share	Baht	No. of share	Baht
Shre registered					
As at 1 January		94,439	94,439	94,439	94,439
Decrease in share capital	1	-	-	-	-
As at 31 December	1	94,439	94,439	94,439	94,439
Paid up share					
As at 1 January		60,450	60,450	54,955	54,955
Decrease in share capital	1	-	-	-	-
Increase in share capital (Share dividend)		-	-	5,495	5,495
As at 31 December	1	60,450	60,450	60,450	60,450

20. 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.

Other component of equity

Currency translation differences

The currency translation differences account in equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations in other countries.

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 .

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

21. Dividend

Parent company

The Annual General Meeting of the Company's No.1/2018 held on 25 April 2018 passed a resolution to pay dividend at the rate of Baht 0.80 per share, totaling Baht 48.36 million and paid on 22 May 2018.

On 21 April 2017, the Annual General Shareholders Meeting No. 1/2560, passed a resolution to pay dividends and stock dividends or total of Baht 10.99 million by issuing 5.495 million ordinary shares of per Baht 1 per share to the existing shareholders in ratio of 10 existing share to 1 new ordinary share, totaling Baht 5.49 million, or equivalent to Baht 0.10 per share and paying in cash at Baht 0.10 per share, totaling Baht 5.49 million. The Company paid dividend amounting to Baht 10.99 million to shareholders on 19 May 2017.

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

Subsidiaries

The Annual Shareholders' Meeting of 2 subsidiaries No.1/2018 held on 26 April 2018 and 27 April 2018 passed their resolutions to pay dividend at the rates of Baht 50 per share and Baht 100 per share, respectively, amounting to Baht 5 million and Baht 2 million, respectively.

On 28 April 2017, the Annual General Shareholders Meeting of a subsidiary company No.1/2017 passed a resolution to pay dividend at the rate of Baht 100 per share amounting to Baht 2 million.

22. Segment information

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

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

In addition, the Group has presented the information relating to geographic segments based on the geographical location of assets.

Information regarding the results of each reportable segment is included in the internal management reports that are reviewed by the Group's CODM.

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Information in reportable segment in the consolidated financial statement information for each of the year ended 31 December 2018 and 2017 are as follows:

	Unit : Million Baht							
	Service income		Commission income		Investment income		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Revenues	244	324	191	157	14	14	449	495
Profit for reportable segments	40	43	129	97	14	14	183	154
Unallocated other income							25	24
Unallocated expenses							(115)	(105)
Profit before income tax							93	73

	Unit : Million Baht							
	Service income		Commission income		Investment income		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Total assets for reportable segments	50	54	278	250	556	630	884	934
Other unallocated assets	-	-	-	-	-	-	405	367
Consolidated total assets	50	54	278	250	556	630	1,289	1,301

Information relating to geographical segments in the consolidated financial statements for each of the years ended 31 December 2018 and 2017 are as follows:

	Unit : Million Baht					
	Domestic		Overseas		Total	
	2018	2017	2018	2017	2018	2017
Commission , services and investment income	430	483	19	12	449	495
Profit for reportable segment	181	154	2	-	183	154
Total assets for reportable segment	1,247	1,270	42	31	1,289	1,301

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

23. Provident fund

The Company and its subsidiary companies and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, the subsidiary companies and their employees contributed to the fund monthly at the rate of 5 percent of the basic salary. The fund, which is managed by Thanachart Fund Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. For the years ended 31 December 2018 and 2017, the Company and its subsidiaries contributed to the fund in the amounts of Baht 5.42 million and Baht 5.22 million, respectively.

24. Expenses by nature

Significant expenses classified by nature are consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Employee expenses	164,868	154,757	70,809	64,854
Costs of services	161,232	236,971	60,320	86,538
Depreciation	9,172	7,925	8,871	7,716

25. Income tax

Income tax for the years ended 31 December 2018 and 2017 are as follows:

	Unit: Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Current income tax	21,167	14,749	18,567	10,654
Deferred income tax	(2,651)	106	(1,228)	346
Total	18,516	14,855	17,339	11,000

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Income tax recognized in other comprehensive income:

Unit: Thousand Baht

	Consolidated financial statements					
	2018			2017		
	Tax			Tax		
	(expense)			(expense)		
	Before tax	benefit	Net of tax	Before tax	benefit	Net of tax
Available-for-sale financial assets	(9,547)	1,909	(7,638)	12,133	(2,426)	9,707
Employee benefit obligations	(11,925)	2,385	(9,540)	-	-	-
Share of loss from investments in joint venture company	(369)	74	(295)	-	-	-
Total	(21,841)	4,368	(17,473)	12,133	(2,426)	9,707

Unit: Thousand Baht

	Separate financial statements					
	2018			2017		
	Tax			Tax		
	(expense)			(expense)		
	Before tax	benefit	Net of tax	Before tax	benefit	Net of tax
Available-for-sale financial assets	(9,547)	1,909	(7,638)	12,133	(2,426)	9,707
Employee benefit obligations	(4,848)	970	(3,878)	-	-	-
Total	(14,395)	2,879	(11,516)	12,133	(2,426)	9,707

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Reconciliation between the average effective tax rate and the applicable tax rate for the years ended 31 December 2018 and 2017, are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements			
	2018		2017	
	Rate (%)	Amount	Rate (%)	Amount
Profit before income tax expense		93,409		72,905
Income tax using the Thai corporation tax rate	20.00	18,682	20.00	14,581
Effect From elimination with subsidiaries		819		544
Exemption of income/Additional expenses allowed		(3,200)		(2,700)
Expenses not deductible for tax purposes and others		4,866		2,324
Current income tax		21,167		14,749
Movements in temporary differences		(2,651)		106
Income tax expenses	19.82	18,516	20.00	14,855

	Unit : Thousand Baht			
	Separate financial statements			
	2018		2017	
	Rate (%)	Amount	Rate (%)	Amount
Profit before income tax expense		97,536		61,412
Income tax using the Thai corporation tax rate	20.00	19,507	20.00	12,282
Exemption of income/Additional expenses allowed		(2,784)		(2,595)
Expenses not deductible for tax purposes and others		1,844		967
Current income tax		18,567		10,654
Movements in temporary differences		(1,228)		346
Income tax expenses	17.78	17,339	17.91	11,000

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Earnings per share

The calculation of basic earnings per share for each of the years ended 31 December 2018 and 2017 is based on the profit for each year attributable to equity holders of the Company and the number of ordinary shares outstanding during each year by using weighted average number of ordinary shares during each year as follows:

	Unit : Thousand Baht/ Thousand Shares			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Profit attributable to ordinary shareholders of the				
Company	74,404	58,101	80,197	50,412
Number of ordinary shares outstanding	60,450	54,955	60,450	54,955
Add Sale of treasury shares purchased	-	5,495	-	5,495
Weighted average number of paid-up ordinary shares issued during the years	60,450	60,450	60,450	60,450
Basic earnings per share (Baht)	1.23	0.96	1.33	0.83

26. Financial instruments

Financial risk management policies

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

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

Capital management

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

Interest rate risk

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

As at 31 December 2018, significant financial assets and liabilities of the Company and its subsidiaries were exposed to the interest rate risk as follows:

Unit : Thousand Baht

	Consolidated financial statements						
	Fixed Rate				No interest rate	Total	Interest rates (% per annum)
	Within 1 year	1 – 5 years	>5 years	Adjusted to market rate			
Financial assets							
Cash and cash equivalents	-	-	-	130,224	5,825	136,049	0.375
Current investments	-	-	-	-	270,331	270,331	-
Debt securities held to maturity							
due within one year	15,000	-	-	-	-	15,000	3.20
Trade and other receivables	-	-	-	-	364,922	364,922	-
Short-term loan to related party	42,000	-	-	-	-	42,000	5.00-7.37
Bank deposit held as collateral	30,000	-	-	-	-	30,000	1.85
Other long-term investments	-	47,000	-	-	75,084	122,084	3.00-6.80
Loans to employees	-	-	-	-	125	125	-
Financial liabilities							
Trade and other payables	-	-	-	-	265,184	265,184	-

Unit : Thousand Baht

	Separate financial statements						
	Fixed Rate				No interest rate	Total	Interest rates (% per annum)
	Within 1 year	1 – 5 years	>5 years	Adjusted to market rate			
Financial assets							
Cash and cash equivalents	-	-	-	55,121	2,023	57,144	0.375
Current investments	-	-	-	-	262,510	262,510	-
Debt securities held to maturity							
due within one year	15,000	-	-	-	-	15,000	3.20
Trade and other receivables	-	-	-	-	309,935	309,935	-
Short-term loan to related party	20,000	-	-	-	-	20,000	5.00
Bank deposit held as collateral	30,000	-	-	-	-	30,000	1.85
Other long-term investments	-	47,000	-	-	75,084	122,084	3.00-6.80
Financial liabilities							
Trade and other payables	-	-	-	-	199,272	199,272	-

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

As at 31 December 2017, significant financial assets and liabilities of the Company and its subsidiaries were exposed from the interest rate risk as follows:

Unit : Thousand Baht

	Consolidated financial statements						Interest rates (% per annum)
	Fixed Rate			Adjusted to market rate	No interest rate	Total	
	Within 1 year	1 – 5 years	>5 years				
Financial assets							
Cash and cash equivalents	-	-	-	116,717	12,368	129,085	0.375
Current investments	-	-	-	-	355,725	355,725	-
Debt securities held to maturity							
due within one year	12,001	-	-	-	-	12,001	0.93-4.40
Trade and other receivables	-	-	-	-	350,078	350,078	-
Short-term loan to related party	10,000	-	-	-	-	10,000	7.375
Bank deposit held as collateral	30,000	-	-	-	-	30,000	1.85
Other long-term investments	4,129	32,000	13,000	-	65,504	114,633	3.00-4.75
Loans to employees	-	-	-	-	90	90	-
Financial liabilities							
Trade and other payables	-	-	-	-	315,053	315,053	-

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Foreign currency risk

At 31 December 2018 and 2017, the Group were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following foreign currencies:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
United States Dollars				
Cash and deposits at banks	14,123	9,418	-	-
Trade and other receivables	24,256	20,460	-	-
Other payables	(29,296)	(21,367)	-	-
Gross balance sheet exposure	9,083	8,511	-	-

Credit risk

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

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

Liquidity risk

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

Fair Value Measurement

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

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

The following financial assets and liabilities are measured at fair value at 31 December 2018 :

Unit: Thousand Baht

Assets	Consolidated financial Statements			
	Level 1	Level 2	Level 3	Total
Short-term investments(Private fund)	-	32,264	-	32,264
Held for trading securities (Unit fund)	-	231,015	-	231,015
Held for trading securities (Marketable equity securities)	7,052	-	-	7,052
Available for sale securities (Marketable equity securities)	75,084	-	-	75,084
Total assets	82,136	263,279	-	345,415

Unit: Thousand Baht

Assets	Separate financial Statements			
	Level 1	Level 2	Level 3	Total
Short-term investments (Private fund)	-	32,264	-	32,264
Held for trading securities (Unit fund)	-	223,194	-	223,194
Held for trading securities (Marketable equity securities)	7,052	-	-	7,052
Available for sale securities (Marketable equity securities)	75,084	-	-	75,084
Total assets	82,136	255,458	-	337,594

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

Unit: Thousand Baht

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

Unit: Thousand Baht

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

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.

27. Capital management

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

As at 31 December 2018 and 2017, debt-to-equity ratios in the consolidated financial statement are 0.40: 1 and 0.43 : 1, respectively, and the separate financial statements are 0.29 : 1 and 0.30 : 1, respectively.

28. Commitments

As at 31 December 2018, the Company had commitments, which were not disclosed in other places in these financial statements, as follows:

Land, buildings and fixed deposits of the Company and directors of subsidiaries were used as collateral for obtaining overdrafts facilities of the Group from several banks amounting to Baht 41 million. In addition, the Company's and subsidiaries' directors had acted as guarantors for such credit facilities.

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

Prakit Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements (Continued)

For the year ended 31 December 2018

29. Other information

As at 31 December 2018 and 2017, net asset per share in the consolidated financial statements are Baht 15.21 per share and Baht 15.07 per share, respectively, and are Baht 14.65 per share and Baht 14.31 per share, respectively, in the separate financial statements.

30. Approval of financial statement

These financial statements have been authorized for issue by the Board of Directors on 26 February 2019 .