



A cartoon pig astronaut in a white suit with a blue backpack stands on a white planet. To the left is a satellite with two dish antennas. To the right is a flag on a pole with the logo of Prakrit Holdings Public Company Limited. The background is green with white stars and a ringed planet in the top right.

FUTURE FIRST

รายงานประจำปี 2561 ANNUAL REPORT 2018



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



Content

001	Board of Director's Report to Shareholders
003	Audit Committee Report
004	Policy and Business Overview
004	Vision and Mission
005	Significant Changes and Development
006	Structure of the Shareholding in the Company
008	Type of Business
008	Revenue Structure
009	Product Type
013	Risk Factor
014	Assets Used for Business
015	Legal Cases
015	General and Other Important Information
019	Capital and Shareholders Information
020	Dividend Payment Policy
021	Detail of Director and Executive Management
030	Management Structure
030	Management Structure Chart
031	Board of Directors
032	Executive Management
034	Controlling System
034	Controlling Policy
038	Report of Number of Share Held by Directors and Executives
039	Details of Subsidiaries Director
040	Good Corporate Governance
043	Social Responsibility
045	Internal Control and Risk Management
046	Related Transaction
049	Financial Statement and Operating Results
060	Management Discussion and Analysis on Operating Results
	Financial Statement

Board of Directors' Report to the Shareholders

Thailand's economy in 2018 remained in an unstable recovery mode. We had expected that 2018 should see an economic growth rate of some 4.5%, however, the volatility in the global trade, especially the trade war between the US and China, caused unforeseen fluctuations. The counter measures created between the US/China and US/Europe trade relationships made for a world trade scenario that was anything but smooth! However, despite the turmoil, Thailand was still able to manage an export growth rate of 5% over 2017, resulting in a GDP growth rate of 4.1%, which is slightly higher than the previous year. The National Economic and Social Development Board has forecast that Thailand's GDP this year will grow by between 3.5-4.5%, leaving a gap of 1%. This will reflect instability and volatility of the world trade this year.

Thailand's tourism industry is still expanding continuously even though there were some problems experienced by Chinese tourists, resulting in reduced numbers when compared to past years. However, Thailand developed appropriate solutions in restoring the relationship, which saw numbers returning to normal in the latter part of the year. Moreover tourists numbers from Malaysia, Hong Kong, India, U.S.A. and Japan also increased, resulting in a total of 38 million visitors, an increase of over 3 million from the previous year. We predict that our tourism industry will continue to expand this year, generating substantial income to our country as in the past years.

Our advertising industry also expanded 2.2%, particularly the offline media represented by TV, radio, print, etc. generating combined spending of 105,457 million baht. At present the primary media are declining, while the online media are increasing. Based on the past few years we forecast that online media will increase its role significantly. Within 10 years it should rise to 50% of the advertising industry spend, compared to the present proportion of offline/online of 70% to 30%. Unfortunately, there is still no reliable institute that monitors the spending figures of online media. Therefore, the monitored figures are mostly for offline, which makes it look like a flat or declining industry, which is not a true picture of the actual situation.

As for our advertising business in 2018, we achieved quite high growth, resulting in a profit of 29% above 2017. In that year we posted a profit of 58 million baht, but in 2018 we achieved a profit of 74.8 million baht, an increase of 16.8 million baht. This was due to the hard work and dedication of every staff member and the dramatic increase of our online business. Therefore, the Board of Directors has agreed to pay a dividend of 90 satang per share, representing 72% of the net profit. The remaining profit has been utilized to modernize and improve our workplace. After some 20 years, it was time for a facelift!

If we determine our share price in the market at about 12 baht, our dividend payment rate will be 7.5%. We have paid dividends of no less than 5% of the share price every year, which makes us one of the

few companies consistently paying a high dividend yield. Some of our shareholders keep their shares just for the dividends, without concerning themselves with the share price fluctuations in the market.

As for the Ruamchairak Hospital project, (in which we have jointly invested with Saha-Union Plc.), on March 11th, 2019 we have received agreement from the relevant Bangkok Metropolitan Administration Sub Committee on our Environmental Impact Assessment report. Now we just need to wait for the written confirmation from the Office of Natural Resources and Environmental Policy and Planning Department, before starting the construction as planned. It will take about 30 months to complete the hospital and then proceed to patient treatment. We are ready to invest 300 million baht in this project by using the funds we have retained. We are one of the few listed companies in the Stock Exchange of Thailand (SET) that has enough retained earnings, so that a bank OD or borrowings from our affiliate companies will not be required. We have total assets valued at 919,277,343 baht, (or a book value price at 15.25 baht per share), and no outstanding loans or debts.

Looking ahead at the advertising business trend in 2019, it is expected the total industry spending, (which means offline media (primary media) and online combined), will grow by no less than 5% depending on the global situation. We forecast that our group of companies can grow our businesses in compliance with Thailand's economy. In our capitalist economy, advertising and public relations are still necessary, so when the national economy grows, the advertising sector will grow as well. Naturally, if the national economy faces a recession or obstacles, the advertising and public relations will also face a downturn. However, we feel confident that our current client roster in 2019 will not be less than in 2018. As usual, our clients have spent less in the first quarter of the year, making the first quarter's performance look poor.

However, we are confident that clients will increase their spending throughout the remainder of the year, as they normally do every year. We have a dedicated, talented staff roster, ready to work hard to cope with the continuous transformation of technology and other changes in our industry, as they occur. This makes us alert and well prepared for all aspects of transformation, as our 41 years of experience, continuous growth and success have proven.



Prakit Apisarnthanarax
Chairman of the Board of Directors

Audit Committee Report

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

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

1. Review of financial reports

The Audit Committee reviewed quarterly, annual, and consolidated financial statements. All adequate information in connection with the related transaction had been disclosed and complied with accounting standard under generally accepted accounting principles.

2. Review of internal control

The Audit Committee reviewed the internal control of the Company and agreed that the internal control system was adequate and effective for the type of business. Moreover, the Audit Committee proposed to the Board of Directors to appoint the internal audit firm for improving its internal control continuously. The Board of Directors considered and approved the hiring of the internal auditor firm for 2019.

3. Review of risk management

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

4. Appointment of the external auditor for 2019

The Audit Committee selected Bunchikij Co.,Ltd. as the Company's external auditor for the year 2019, and proposed as auditors, Mr.Pornchai Kitti-punyangam, and/or Mrs.Suwanee Kitt-punyangam, and/or Mr.Thanakorn Fakfaipol of Bunchikij Co. Ltd. They would be proposed to the Annual General Meeting for approval.



Pichai Charnsupharindr
Chairman, Audit Committee



Growing Together

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

Mission

The greatest assets are our people.

Our people's talents create great value to our clients.

Works we produce add value to the stakeholders
and the community at large.

These values flow through everything we do,
it allows us all to prosper in a synergistic manner.

We operate our business with good governance,
anti-corruption and responsible
for stakeholders and society.



Significant changes and developments

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

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

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

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

January
2014

Approving the investment amounted USD 22,500 in Prakrit Advertising Co., Ltd. in Myanmar or 90% of issued shares of the Company.

March
2014

Approving the Share Repurchase Program for Financial Management Purposes, of which the budget is not exceeding Baht 79,460,000. The Company will repurchase up to 5,800,000 shares, representing 9.67% of the issued 60,000,000 shares of the Company.

April
2014

Changing in major shareholding structure of the Company as IPG Group (FCB) which held 14,800,000 shares or 24.67% of the Company's issued shares sold its shares. Yet after transaction completed, there was not any new shareholder possessed more than 5% of issued shares of the Company.

July
2014

Changing the Company's Securities Symbol from P-FCB to PRAKIT.

October
2014

Approving Prakrit Advertising Limited (a subsidiary) to invest in the new company named “Bangkok Writer and Partners Limited”.

July
2015

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

November
2016

Approve to written off treasury stocks and decrease the registered and paid up capital by written off the 5,045,200 unsold treasury stocks. After the capital decrease, the paid up share of the Company will amount to Baht 54,954,800 divided into 54,954,800 shares at a par value of Baht 1.00 each.

Structure of the Shareholding in the Company

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

Operational Policy for the group of companies

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

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

Summary of Associated and Subsidiary Companies

1. Prakit Advertising Limited	Company's share	99.993%
2. Marketing Drive Worldwide (Thailand) Ltd.	Company's share	99.965%
3. Prakit/FCB (Cambodia) Ltd.	Company's share	80%
4. Prakit Advertising Company Limited (Myanmar)	Company's share	70%
5. Direct Response (Thailand) Co., Ltd.	Company's share	49%
6. Sukhumvit 62 Medical Ltd.	Company's share	35.41%

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



Note

1. Direct Response (Thailand) Company Limited of which 51% shares are held by Miss Pavinee Apisanthanarax and Mr. Anucha Apisanthanarax. Both are authorized Directors of Direct Response (Thailand) Company Limited.
2. Prakti/FCB (Cambodia) Ltd. with 20% shares held by 2 Thais, each has 10% shares and are not related parties of the Company.
3. Prakti Advertising Limited (Myanmar) with 10% shares held by 1 Thai who is not related parties of the Company
4. Bangkok Writer and Partners Limited with 58% shares held by

Mr. Apirak Apisanthanarak (Company's director)	8%
Mrs.Thanaporn Boonyangyuen	15%
Miss Panita Boonyangyuen	10%
Mr. Ratrong Srilert	25%

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

5. Sukhumvit 62 Medical Limited with 64.59% shares held by

Saha-Union Plc.	47.21%
Mr.Prakit Apisanthanarax *	2.25%
Dr.Prapand Apisanthanarax **	0.12%
1 Thai Company and 3 Thais are not related parties of the Company	15.01%

* Mr.Prakit Apisanthanarax is Company Chairman

** Dr.Prapand Apisanthanarax is Mr.Prakit Apisanthanarax's brother.

Type of business

Revenue structure

Revenue structure of Company and subsidiaries-to financial budget (of) from 2016-2018

unit : thousand baht

Product line	Operated by	% of share	2018 Revenue	%	2017 Revenue	%	2016 Revenue	%
Revenue from media planning and buying brokerage	• Prakit Holdings Plc..	-	138,226	29.24	101,219	19.64	81,511	20.20
	• Prakit Advertising Co.,Ltd	99.99	49,637	10.50	54,164	10.51	54,167	13.42
	• Subsidiaries		2,884	0.61	1,677	0.32	2,472	0.61
			190,747	40.35	157,060	30.47	138,150	34.23
Revenue from product advertisement	• Prakit Holdings Plc.	-	64,100	13.56	91,146	17.68	90,451	22.41
	• Prakit Advertising Co.,Ltd	99.99	138,753	29.35	209,997	40.74	100,944	25.01
	• Subsidiaries		15,201	3.21	11,234	2.18	8,553	2.12
			218,054	46.12	312,377	60.60	199,948	49.54
Revenue from public Relation and Direct Advertising	• Marketing Drive Worldwide (Thailand) Co.,Ltd.	99.96	25,451	5.38	11,125	2.16	29,446	7.30
			25,451	5.38	11,125	2.16	29,446	7.30
Revenue from other investments	• Prakit Holdings Plc.	-	25,884	5.47	22,003	4.27	26,767	6.63
	• Prakit Advertising Co.,Ltd	99.99	12,042	2.55	12,404	2.41	7,818	1.94
	• Subsidiaries		590	0.13	466	0.09	1,450	0.36
			38,516	8.15	34,873	6.77	36,035	8.93
Total			472,768	100.00	515,435	100.00	403,579	100.00

Product types

Providing media strategic planning and operating as a media buying agent

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

Producing all types of advertising

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

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

Account Management Department

The account management staffs are the company's representative in contacting the customers in order to understand their objectives and needs in creating an advertisement. They also follow up the result of the advertising including the service fee from the customer.

Strategic Planning Department

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

Creative Department

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

Production Department

Production department produces the work piece of advertisement created by the creative department. They also contact with our business partners who produce the work piece such as TV commercials and printings.

Producing all types of advertising

There are 4 types of products and services affiliated and subsidiary companies produce:



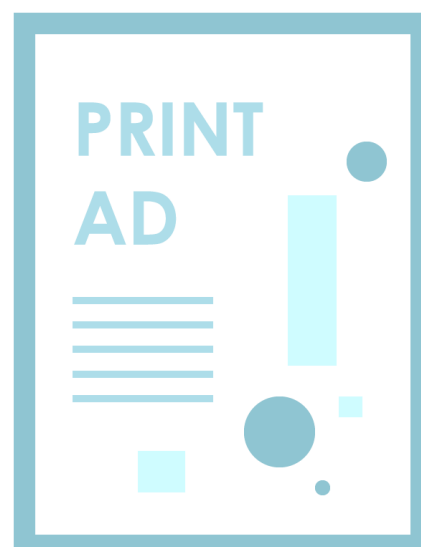
Production steps of a print material & Billboard

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

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

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

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



Production steps of a TV commercial

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



Production steps of a TV commercial

1. Get to know the structure and story of the board thoroughly well among the teams which means both video and audio
2. Internal Pre-production is the preparation step which includes casting, location selection, props, wardrobe, etc. Decision in all items will be made before proceeding on to client.
3. Pre-production meeting is where and when Company and production house persons present all the details which had been agreed upon internally for client to acknowledge and approve. Any disapproval, Company will adjust for approval.
4. Shooting of commercial to cover all details as per agreed with client.
5. Post production is the step when the shot materials be cut to tell story, put special technique and sound to complete the commercial before aired.

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

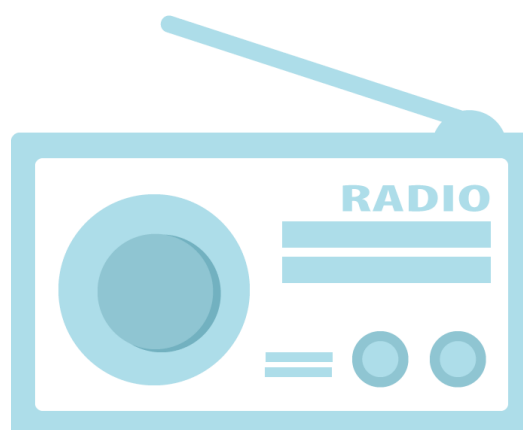
Problems and obstacle arise during the production stage are details and budget control. With the length of 30 – 60 seconds, the production must cover all the planned details. Besides, with the long hours work and high budget, the Company must employ highly capable person in the field who has experience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

Production steps of a radio spot

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

Radio spot production process

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



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

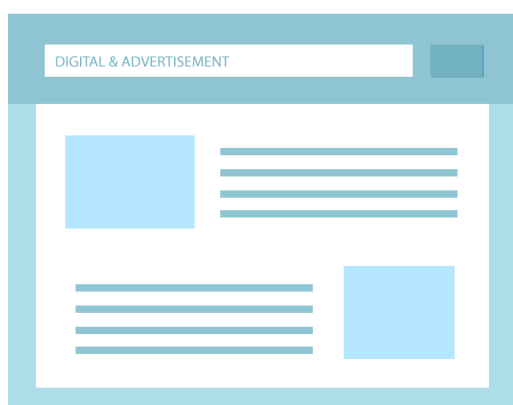
Production steps of a digital advertisement

Strategic Planning

Design and plan a communication method to attract consumers' attention and reaction such as what platform to use and which way to present the content to match with the product and target group.

Creating

Create content and presentation method matched with each product in order to effectively communicate, attracts and encourage reactions from the consumers, be it a message, picture, video, game and more.



Production

Produce and prepare an advertisement in accordance with the plan, be it a video, picture, animation, program, game, application, website and other technology to publicize on appropriate platform depending on the work and the target.

Media Planning

Plan and determine media use and platform for each advertisement in order to reach the target group and gain a response based on the objective and customer's need.

The strategy, content and media used in online advertisement would differ, based on product type, target group and each customer's objective. We have a coordinating team that contacts the customers so that every advertisement meets the customer's need and achieves the objective. We also constantly monitor, learn and research trends and changes of the online world in order to enhance our work to be modern and effective.

Non-handed over works

- None -

Market and competition

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

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

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

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

The following is how to win new clients:

1) Acquiring through pitching

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

2) Acquiring through personal relationship of the management.

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

3) Contact potential clients

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

Risk Factor

Business risk

Loss of principal clients

Under the current competitive situation, the Company and group of companies may lose all or part of the earning from principal clients which would significantly affect the company's revenue. As such, the group of Companies has to put effort to get the opportunity to present ourselves to prospects. Development of the staff must be carried on simultaneously in order to improve quality of works and services which will eventually win new clients.

The increase of TV media rate

There are occasional increases in media rate card which may decrease client's advertising volume. However, that does not affect advertising budgets which have been planned beforehand. In addition, the increase on media rate card doesn't affect the agency's income because agency commission is calculated from the agreed rate multiplied with cost of media billings.

The increase of production cost for advertising materials

The affect will be similar to the increase of media rate card.

The decrease of agency commission and service fee rate

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

The power of online media

Consumer find online media interesting, such as, FACEBOOK, INSTAGRAM, LINE, etc., consequently, online advertising expands rapidly. Company has to adjust to match consumer behavior changes or else media usage would not meet the objective for effectiveness as planned.

Legal risk

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

Personnel risk

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

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

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

Assets Used For Business

Fixed assets of the company and its subsidiary and associated companies

Land and building

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

Land

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

Value of land and building on land at December 31, 2018 is as follows:

	(For company)	(Baht)
Land (At cost)		101,026,000.00
Land Improvement (At cost)		2,699,157.82
Building and improvement (At cost)		<u>95,032,072.93</u>
Total		198,757,230.75
Less Accumulated Depreciation		<u>77,021,553.94</u>
Net book Value		<u>121,735,676.81</u>

Intangible assets of Associated and subsidiary companies

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

Investment policy in Associated and subsidiary companies

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

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

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

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

Valuation of assets

The plot of land which was above-mentioned in 4.1 and which is not where the Company situated on, was fairly and approximately valued by a valuation company at 125.32 million baht. (Financial Statement as at December 31, 2018 disclosed this fair value on the Notes of the financial statement no. 12 Investment property).

Legal Cases

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

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

General and Other Important Information

General information

Company name	: Prakit Holdings Public Company Limited
Office address	: 88 Soi Sukhumvit 62, 3rd intersection, Phra Khanong Tai, Phra Khanong, Bangkok
Company register no.	: 0107535000389
Telephone no.	: 027153000
Facsimile no.	: 023328522
Website	: www.prakit.com
Registered capital	: Ordinary share 94,438,800 shares of 1 Baht par value
Issued and fully paid up capital	: 60,450,262 baht or 60,450,262 shares
Type of business	: Media strategic planning, media buying and invest in associated and subsidiary companies with advertising business or concerned, and other business types for the expansion of Company's business.

Summary of Associated and Subsidiary Company

Associated Companies

Direct Response (Thailand) Limited

Company name	: Direct Response (Thailand) Limited
Office address	: 88 Soi Sukhumvit 62, 3rd intersection, Phra Khanong Tai, Phra Khanong, Bangkok
Type of business	: Direct advertising and Public Relation
Type and amount of shares	: Registered type of ordinary 2,000 shares of 1,000.00 baht par value, issue and fully paid up
Number of shares held by the Company	: Ordinary share of 980 shares which is 49% of issued and fully paid-up

Bangkok Writer and Partners Limited

Company name	: Bangkok Writer and Partners Limited
Office address	: 88 Soi Sukhumvit 62, 3rd intersection, Phra Khanong Tai, Phra Khanong, Bangkok
Type of business	: Media strategic planning and media broker and creating advertisement, special events and Public Relation
Type and amount of shares	: Registered type of ordinary 100,000 shares of 1,000 baht par value, issue and fully paid up
Number of shares held by the Company	: Prakrit Advertising Limited holds 42% of issued and fully paid-up shares or 42,000 shares.

Sukhumvit 62 Medical Limited

Company name	: Sukhumvit 62 Medical Limited
Office address	: 88 Soi Sukhumvit 62, 3rd intersection, Phra Khanong Tai, Phra Khanong, Bangkok
Type of business	: Private hospital
Type and amount of shares	: Ordinary share of 8,472,500 shares, par value of 100 Baht issued and paid up: 1. Ordinary share of 100,000 shares – fully paid up 2. Ordinary share of 8,372,500 shares – 50% paid up
Number of shares held by the Company	: Ordinary share of 3,000,000 shares at 35.41% of the issued shares as follows: 1. Ordinary share of 7,500 shares – fully paid up 2. Ordinary share of 2,992,500 shares – 50% paid up

Subsidiary

PRAKIT/FCB (CAMBODIA) LIMITED

Company name : PRAKIT/FCB (CAMBODIA) LIMITED

Office address : No.11, St.430, Sangkat Phsar Doem Thkov, Khan Chamkarmorn, Phnom Penh, Cambodia

Type of business : Media broker and creating advertisement

Registered Share : Ordinary share 500 shares of US\$50.00 par value

Number of shares : Ordinary share 400 shares which is 80% of issued and fully paid-up held by the Company

Prakit Advertising Limited

Company name : Prakit Advertising Limited

Office address : 88 Soi Sukhumvit 62, 3rd intersection, Phra Khanong Tai, Phra Khanong, Bangkok

Type of business : Media broker and creating advertisement

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

Number of shares : Ordinary share 99,993 shares which is 99.993% of issued and fully paid-up

Marketing Drive Worldwide (Thailand) Limited

Company name : Marketing Drive Worldwide (Thailand) Limited

Office address : 88 Soi Sukhumvit 62, 3rd intersection, Phra Khanong Tai, Phra Khanong, Bangkok

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

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

Number of shares : Ordinary share 19,993 shares that is 99.965% of issued and fully paid-up

PRAKIT ADVERTISING CO., LTD.

Company name : PRAKIT ADVERTISING Co.,Ltd.

Office address : Twin Centro Condominium, Unit E#605, 6 Floor, Sanchaung township, Yangon, Myanmar

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

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

Number of shares : 70% of issued and fully paid-up

Other reference information

Registrar

Thailand Securities Depository Co., Ltd.

93 SET building, Fl. 14, Rachadapisek Road,

Dindaeng, Dindaeng, Bangkok 10400.

Tel. 0-2009-9378 Fax 0-2009-9476

Auditor

Mr. Pornchai Kitti-punyangam and/or Mrs.Suwanee Kitti-punyangam and/or Mr. Thanakorn Fakfaipol,

Bunchikij Co.,Ltd.

87/102-103 Modern Tower Building, 9th Floor, Ekamai Soi 3, Sukhumvit 63 Rd.,

Klongton-Nua, Wattana, Bangkok 10110

Telephone no. (66) 2382-0414

Facsimile no. (66) 2381-5849

Legal advisor

Mr. Siwa Tishabiramy

Attorney Certificate No. 13357/2529

44/86 Moo 11, Soi Charoenpattana, Tiwanont Road,

Taladkwan, Mueng, Nonthaburi 110000

Other reference information

- None -

Capital and Shareholders Information

Issue and fully paid-up capital

There was authorized share capital of 94,438,800 baht with ordinary shares of 94,438,800 shares 1.00 baht par value, issued and fully paid-up capital 60,450,262 ordinary shares, 1 baht each, totally 60,450,262.00 baht.

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

The shareholders

The name and the shareholding ratio of the major shareholders as at June 6, 2018 are as follow:

Major Shareholders		Amount held	Percentage
1. Prakit and Associates Co., Ltd.**		15,081,660	24.95
2. Apisarnthanarak Family			
Mr.Pakit	Apisarnthanarak	6,058,690	10.02
Ms.Pavinee	Apisarnthanarak	2,918,953	4.83
Mr.Anucha	Apisarnthanarak	2,854,642	4.72
Mr.Apirak	Apisarnthanarak	3,157,802	5.22
3. Promart International Company Limited		1,606,000	2.66
4. Mr. Wichai	Jiracharoenkijkul	1,463,590	2.42
5. MR.Pridiyathorn	Devakula	1,100,000	1.82
6. Ms. Wichuda	Grairithikul	637,450	1.05
7. RAFFLES NOMINEE(PTE) LTD.		594,660	0.98
8. Ms. Nopsarun	Pongpairroj	550,000	0.91
9. Mr. Prapoj	Harnjirakarn	506,700	0.84
10. Dr. Praphan	Apisarnthanarak	503,778	0.83
Total		37,033,925	61.26

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

Other capital

- None -

Dividend payment policy

The company has the policy to pay dividend not less than 60% of normal net profit. There is no dividend policy in associated and subsidiary companies but dividend payment is subject to Board of Directors consideration of the company's overall operation result and future projects (if any) and proposes to shareholders getting approval.

Detailed information of dividend payment data during the past 5 years

Detail	2017	2016	2015	2014	2013
Cash Dividend payment / share	0.80	0.10	1.00	0.80	1.00
Stock Dividend	-	10:1	-	-	-
% of Net Profit	83.30	N/A	108.12	93.63	77.13

Remark

1. Dividend payment percentage for year 2015, was calculated from Net Operating profit which did not include net gain from sales of investment property.
2. In year 2017, the Company paid cash dividend 0.10 baht per share and paid stock dividend in the ratio of 10 current shares per 1 dividend share.

Detail of Director and Executive Management



President
Prakit Apisarnthanarax

Name	Education	BA in Economic Thammasart University
Mr. Prakrit Apisarnthanarax		
Age	Family Relationship of directors	Father of Mr. Apirak Apisarnthanarak (Managing Director)
80 years old		
Position	Working Experience within 5 Years	
Executive President and Authorized Director	1986 – present	President and Director Prakit Holdings Plc. Prakit & Associate Co.,Ltd. Prakit Advertising Ltd. Marketing Drive Worldwide (Thailand) Co.,Ltd.
Company Share Portion		
10.02% of voting right common stock		

Detail of Director and Executive Management



Vice President
Phisal Prahasdangkura

Name	Education	B.A. in Mass Communication Miami College United States of America
Mr. Phisal Prahasdangkura		
Age	Family Relationship of directors	- None -
74 years old		
Position	Working Experience within 5 Years	
Executive Vice President and Authorized Director	1986 – present	Vice President and Director Prakit Holdings Plc. Prakit & Associate Co.,Ltd. Prakit Advertising Ltd. Marketing Drive Worldwide (Thailand) Co.,Ltd.
Company Share Portion		
0.15% of voting right common stock		

Detail of Director and Executive Management



Director
Preecha Chaochotechuang

Name

Mr. Preecha Chaochotechuang

Education

- B.A. in Business
Ohio College,
United States of America
- Marketing Management
Certification
Lausanne University,
Switzerland

Age

71 years old

Position

Director and
Authorized Director

Family Relationship of directors

- None -

Company Share Portion

0.23%
of voting right common stock

Working Experience within 5 Years

Present

Director
Prakit Holdings Plc.

Detail of Director and Executive Management



Director
Vichien Nakintanond

Name	Education	High School
Mr. Vichien Nakintanond		Vatrangbua School
Age	Family Relationship of directors	- None -
70 years old	Working Experience within 5 Years	
Position	Present	Director
Director		Prakit Holdings Plc.
Company Share Portion		
- None -		

Detail of Director and Executive Management



Independent Director
Sommanous Na Bangchang

Name	Education	MBA
Mr. Sommanous Na Bangchang		Southeastern Oklahoma State University
Age	Family Relationship of directors	- None -
70 years old		
Position	Working Experience within 5 Years	
Audit Committee and Independent Director	Present	Independent Director and Audit Committee Prakit Holdings Plc.
Company Share Portion		
- None -		

Detail of Director and Executive Management



Independent Director

Dr. Pichai Charnsupharindr

Name	Education	<ul style="list-style-type: none"> • B.A. in Economic Thammasart University • Master Degree in Economic University of the Philippines • Ph.D. in Economics University of the Philippines
Dr. Pichai Charnsupharindr		
Age		
76 years old		
Position	Family Relationship of directors	- None -
Audit Committee and Independent Director	Working Experience within 5 Years	
Company Share Portion	Present	<ul style="list-style-type: none"> • Independent Director Audit Committee Prakit Holdings Plc. • Director Thammasart Association • Consultant of The Federation of Saving of Thailand Limited
- None -		

Detail of Director and Executive Management



Independent Director
Dr. Manoon Pahirah

Name	Education	<ul style="list-style-type: none"> • B.A. in Economic Thammasart University • Master Degree (ECON) University of the Philippines • Ph.D. (ECON) University of Hawaii
Dr. Manoon Pahirah		
Age		
80 years old		
Position	Family Relationship of directors	- None -
Audit Committee and Independent Director	Working Experience within 5 Years	
Company Share Portion	Present	<ul style="list-style-type: none"> • Independent Director Audit Committee Prakit Holdings Plc. • Consultant The Feceration of Saving of Thammasart University
- None -	2004 – 2014	A Dean of Faculty, Krirk University

Detail of Director and Executive Management



Managing Director
Apirak Apisarnthanarak

Name	Education	<ul style="list-style-type: none"> • BBA in Marketing and Management of Information System Southern Methodist University • MBA at The University of North Carolina Chapel Hill
Mr. Apirak Apisarnthanarak		
Age	Family Relationship	The President's son
47 years old	of directors	
Position	Working Experience within 5 Years	
Managing Director and Authorized Director	Present	<ul style="list-style-type: none"> • Managing Director Prakrit Holdings Plc. • Director Marketing Drive Worldwide (Thailand) Ltd. • Managing Director Prakrit Advertising Ltd.
Company Share Portion		
5.22% of voting right common stock		

Detail of Director and Executive Management

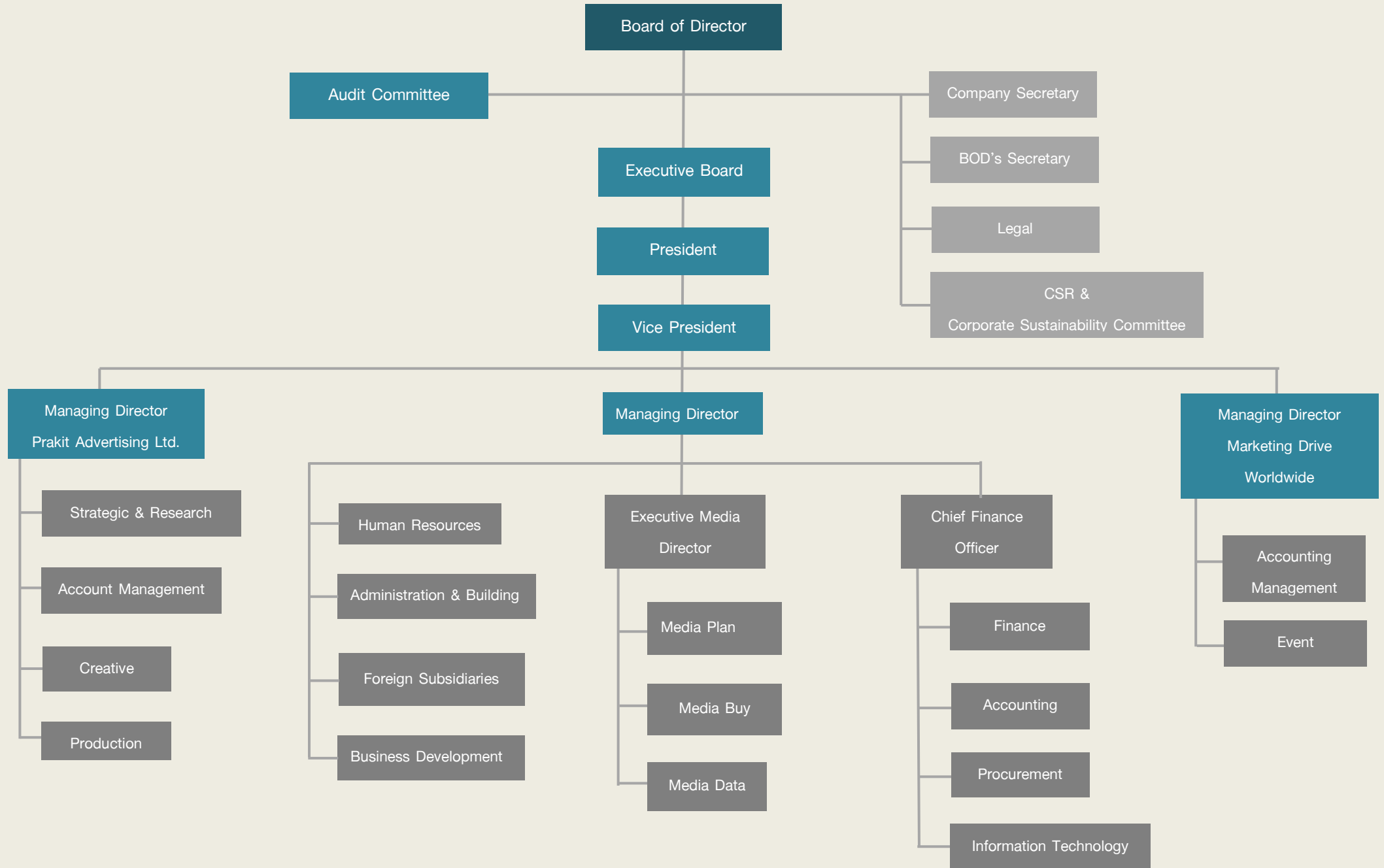
Wichuda Grairithikul

Name	Education	<ul style="list-style-type: none"> • B.A.in Accounting Thammasart University • Master degree in Accounting Thammasart University
Ms. Wichuda Grairithikul		
Age	Family Relationship of directors	- None -
60 years old		
Position	Working Experience within 5 Years	
Chief Finance officer	1999 - present	Finance Director
Company Secretary		Prakit Holdings Plc.
Audit Committee Secretary		
Company Share Portion		
1.05%		
of voting right common stock		

Siriorn Chernpipat

Name	Education	B.A.in Mass Communication
Mrs. Siriorn Chernpipat		Thammasart University
Age	Family Relationship of directors	- None -
55 years old		
Position	Working Experience within 5 Years	
Executive Media Director	1993 - present	Executive Media Director
		Prakit Holdings Plc.
Company Share Portion		
- None -		

Management Structure Chart



Management Structure

Board of Directors

The Board of Directors of Prakrit Holdings Public Company Limited consists of 8 directors as :

Director's Name			Position	Date of Appointment	Term as Director
1.	Mr. Prakrit	Apisarnthanarax	President	28 December 1992	27 years
2.	Mr. Phisal	Prahasdangkura	Vice President/Director	28 December 1992	27 years
3.	Mr. Pheecha	Chaochotechuang	Director	28 December 1992	27 years
4.	Mr. Apirak	Apisarnthanarak	Managing Director/Director	24 April 2008	11 years
5.	Mr. Vichien	Nakintanond	Director	28 December 1992	27 years
6.	Dr. Pichai	Charnsupharindr	Independent Director/Audit Committee	25 April 2005	14 years
7.	Mr.Sommanous	Na Bangchang	Independent Director/Audit Committee	28 December 1992	27 years
8.	Dr. Manoon	Pahirah	Independent Director/Audit Committee	26 April 2004	15 years

Noted : Mr. Apirak Apisarnthanarak was in the position of Managing Director on March 16, 2016.

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

- (1) One shareholder holds the number of votes as of the amount of shares.
- (2) The shareholders must use all the entitled votes according to (1). Votes for either one or more persons to be a Director(s) which he/she cannot divide and specify the number of votes among them.
- (3) The persons who get highest votes respectively will be the Directors which must meet the number required. If and when there are more voted persons than needed, the Chairman will make the final decision.

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

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

The Company authorized directors

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

The authority of Company's Directors

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

Authority of the Company's policy are:

1. Set policy, objective and annual budget
2. Take into considerations the quarterly result of the Company and group of companies
3. Take into considerations the investment in new projects, acquisition and disposition of Assets.
4. Take into considerations and approval salary adjustment, bonus for the management and staffs.
5. Take into considerations the appointment and end of Directors, audit committee, company's secretary, subcommittee, subsidiary company's Directors and executive management as well as defining the Directors' remuneration.
6. Interim dividend payment
7. Direction governance and management with integrity, good moral, follow the Company's rules and regulations, related rules of law and the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission.

Board of Directors Meeting

Director's Name		The Board of Directors Meeting
1.	Mr. Prakit Apisarnthanarax	8/8
2.	Mr. Phisal Prahasdangkura	8/8
3.	Mr. Pheecha Chaochotechuang	8/8
4.	Mr. Apirak Apisarnthanarak	8/8
5.	Mr. Vichien Nakintanond	8/8
6.	Dr. Pichai Charnsupharindr	4/8
7.	Mr.Sommanous Na Bangchang	8/8
8.	Dr. Manoon Pahirah	4/8

Executive Management

As of December 31, 2018, Executive Management was management team of the Company consisted of 5 members as follows :

1. Mr. Prakit Apisarnthanarax Executive President
2. Mr. Phisal Prahasdangkura Executive Vice President
3. Mr. Apirak Apisarnthanarak Managing Director
4. Mrs. Siri-orn Chernpipat Executive Media Director
5. Miss Wichuda Grairithikul Chief Finance officer

Authority of Executive Management

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

Secretary of the Company

The Company appoints Miss Wichuda Grairithikul as Company Secretary. The details are on page 29.

Remuneration of Directors and management

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

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

In 2018, total remuneration for directors was as follows:

Company

Cash remuneration

Director's Name			Remuneration and Meeting allowance
1.	Mr. Phisal	Prahasdangkura	1,200,000 baht
2.	Mr. Pheecha	Chaochotechuang	1,440,000 baht
3.	Mr. Vichien	Nakintanond	360,000 baht
4.	Dr. Pichai	Charnsupharindr	50,000 baht
5.	Mr.Sommanous	Na Bangchang	240,000 baht
6.	Dr. Manoon	Pahirah	50,000 baht

Other Benefits

Group Accident Insurance and Medical Expense totally 359,209.00 baht. Moreover, Company paid the remuneration to Directors who were Executive Management and Executive Management Member as salary, bonus and other benefits was 13,214,656.76 baht.

Subsidiaries

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

Subsidiary Companies paid the remuneration to Director who was Executive Management and Executive Management Member as salary, bonus and other benefits was 12,446,249.00 baht.

Human Resource

As at December 31, 2018, staffs of the Company and subsidiary are as follow:

Department	Company	Subsidiaries
Management	3	10
Media	47	-
Account team/Creative/Strategic planning/Production	-	64
Administration	44	18
Total	94	92

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



Employee development policy

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

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

Controlling System

Controlling policy

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

Subcommittee

1. The Audit Committee

The Audit Committee consists of 3 independent directors appointed by The Company's Board of Director #4/2016 on February 24, 2016 each with 3 years term, as follows :

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

Duties and Responsibilities of Audit Committees

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

1. To review and ensure that the company's financial disclosure are accurate and sufficient.
2. To ensure that the company has appropriate and effective internal control and internal audit systems.
3. To monitor that the company complies with the securities and Exchange Acts, regulation of the SET, and any related business laws.
4. To consider, select, nominate, propose audit fee and have meeting with the Company's auditors at least once a year.
5. To consider that the company complies with all connected transaction disclosures or the conflict of interest disclosures.
6. To carry out the assignment from the Board of Directors, which is agreed upon by the Audit Committees.

Participation in the Audit Committee meeting

In 2018, the Audit Committee held 4 meeting attended by the following:

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

2. The Executive Management

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

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

3. Committee on Corporate Social Responsibility and sustainability of the organization

The Committee consists of

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

Duties and Responsibilities

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

Appointment of Board of Directors and Executive

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

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

1. Must hold no more than 1% of all voting share in the Company, its subsidiaries, affiliates or others which may cause a conflict of interests, which is inclusive of shareholding of one relating to the Independent Director
2. The Director must not or never be part of the management, employee, consultant with regular salary nor with controlling authority over the Company, its subsidiaries, affiliates or others which may cause a conflict of interests for at least two years.
3. Must not be related, in anyway, to Executives, major shareholders who has controlling authority or a nominee for Executive or a person who has controlling authority over the Company or its subsidiaries.
4. Must have no business relation with the Company, affiliates or others which may cause a conflict of interests that could lead to the lack of independent judgement. Must not be major shareholders, director or management of the partners of the Company, its subsidiaries, affiliates or others which may cause conflict of interests for at least two years.
5. Must not be external auditor of the Company, its subsidiaries, affiliates or others which may cause conflict of interest. And must not be major shareholders, directors or partner of Auditor Company which audit the Company, its subsidiaries, affiliates or others which may cause a conflict of interest for at least two years.

6. Must not or never be the company of professional services including legal consultant or financial consultant which earn service fee of more than two million baht per year from the Company, its subsidiaries, affiliates or others which may cause a conflict of interest and must not be major shareholders, directors or partner of the Company providing this professional services for at least two years.
7. The Director must not be appointed to represent the Company's director, major shareholders nor shareholders related to Company's major shareholders.
8. Must not have any characteristic causing incapability to make independent comment on the Company's operation.

Directing the operation of subsidiary and associated companies

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

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

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

Internal Information Policy

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

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

Remuneration of The Audit Committee

In 2018, The Company and Subsidiaries paid Bunchi-Kij Company Limited as follow:

1. Remuneration for auditing at 1,370,000 baht
2. Other services: - None -

Report of number of share held by Directors and executives
as at December 31, 2018

Name	2018		2017		Increase/ (Decrease)	2018 in total	Percentage
	Director	Spouse	Director	Spouse			
Mr. Prakit Apisarnthanarax	5,829,890	228,800	5,829,890	240,000	(11,200)	6,058,690	10.02
Mr. Phisal Prahasdadangkura	25,300	63,700	25,300	54,000	9,700	89,000	0.15
Mr. Preecha Chaochotechuang	16,500	123,200	16,500	123,200	-	139,700	0.23
Mr. Sommanous NaBangchang	-	-	-	-	-	-	-
Dr. Pichai Charnsupharindr	-	-	-	-	-	-	-
Mr. Vichien Nakintanond	-	-	-	-	-	-	-
Dr. Manoon Pahirah	-	-	-	-	-	-	-
Mr. Apirak Apisarnthanarak	3,018,252	139,550	2,925,552	75,350	156,900	3,157,802	5.22
Ms. Wichuda Grairithikul	637,450	-	637,450	-	-	637,450	1.05
Mrs. Siriorn Chernpipat	-	-	-	-	-	-	-

Details of Subsidiaries Director

Name of Director	Prakit Holdings PLC	Subsidiary Company				Related Company		Other Company			
		PRAKIT/FCB (CAMBODIA)	Prakit Advertising	Marketing Drive Worldwide	Prakit Advertising (Myanmar)	Direct Response	Bangkok Writer & Partners	Prakit & Associate	62 Content & Design	Double P Marketing	Sukhumvit 62 Medical
Mr.Prakit Apisarnthanarax	B,A,C	A,C	A,C	C				A,C			B,C
Mr.Phisal Prahasdadangkura	B,C		C	C							
Mr.Preecha Chaochotechuang	C									A,C	
Mr.Sommanous NaBangchang	F,G										
Dr.Pichai Charnsupharindr	F,G										
Mr.Vichien Nakintanond	C										
Dr.Manoon Pahirah	F,G										
Mr.Apirak Apisarnthanarak	B,D		B,D	B,C	C		C		C		C
Ms.Wichuda Grairithikul	B		B		C		C		B,C		
Mrs.Siriorn Chernpipat	B		B		C						

A = President

B = Executive Board

C = Director

D = Managing Director

E = General Manager

F = Audit Committee

G = Independent Director

Good Corporate Governance

Policy on corporate governance

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

Prevention of corruption

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

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

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

1. Staff will tip or complain to the Company
2. The tip or complaint must follow the chain of command to higher level or to Audit Committee
3. The chief commander who got tip or complaint will appoint a person to conduct investigation within 7 days.
4. Upon the investigation and correction, the person who gave the tip or complaint will be notified within 15 days. If and when the person found the result not satisfactory, appeal can be made to the committee.
5. The staff who submitted tip and complaint will be ensured of not being terminated, punished or any bad consequence would incur.

Rights of stakeholders

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

Employee

The Company takes care of its staff with appropriate and fair returns of provident fund, transportation service, birthday activities and training. In 2018, the Company provides both outsources and internal trainings,

encourages staff to participate in variety of activities. For example, urging creative teams to enter their creative works to win awards

Customers

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

Partners

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

Competitors

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

Shareholders

The Company has policy to comply with the principle of Good Corporate Governance regarding the equitable treatment of Shareholders.

Society

The Company has policy regarding social responsibility. See detail on page 43.

Shareholders Meeting

The Company provides meeting invitation, reference prior to each meeting with opinion of the Board of Directors. Shareholders can propose additional agenda. There is complete and accurate meeting report for the shareholders to check. Moreover, information about the shareholders' meeting has been posted beforehand in the Company's website: www.prakit.com. Then invitation letter includes the way to post questions in advance. The Board and the management always conduct the shareholder's meeting in fair and square and equality manner.

Board of Directors

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

President of the Board represents major shareholders.

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

Board of Directors' meeting

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

Transparency Disclosure

The Company has disclosed important and complete information with transparency via the Stock Exchange of Thailand. The Company stipulates that the President, the Managing Director and Secretary of the Company are responsible for disclosing appropriate information to the stakeholders as well as granting analyst and investors a meeting with Company's Director on advance appointment.

Director's Reporting

The Board of Director is responsible for the Consolidated and the Company Financial Statements and the financial information as shown in the annual report. The financial statements had been prepared in accordance with Thai General Accepted Accounting Standard. Significant accounting policies include consistency prudence and accruals. With discrete, diligence and the best of judgment, the Company has disclosed enough significant information in the notation of budget section

Conflict of Interest

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

Remuneration for Directors and Management

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

As at December 31, 2018, the Company Directors consisted of:

1. The Board of Directors consists of 8 members:

Executive Directors	4 persons
External Directors	1 persons
Independent Director	3 persons

2. Audit Committee consists of 3 members:

Independent Committee	3 persons
-----------------------	-----------

3. Executive Management consists of 5 members:

Company's Director	3 persons
Non Company's Director	2 persons

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

Social Responsibility

Stakeholders

The Company, subsidiaries and associated enhance the policy of creating quality and ethical works. The Company's core business is providing services, being a broker and producing advertisement which means the Company must send the accurate message across to consumer. Company must be responsibility for:

Customers Create awareness of consumers for clients' products.

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

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

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

Employees The Company's core business is service. Thus, employees are Company's valuable asset who will receive fair employment and variety of welfare schemes beyond legal definition, which are equally accessible to all employees.

Provident fund

To encourage employees to save for security after retirement, the Company set up Provident Fund. All employees have the right to be member.

Group accident and life insurance

The Company provides group accident and life insurances for all employees.

Welfare loan

The Company provides interest free loan for employees wanting to buy cars. A committee is appointed to be responsible for loan allocation in accord with the Company's policy.

Training

Each year, Company's executives will set policy and training guidelines for employees.

Human Resource department will set topics according to Company's policy together with annual training schedule.

Company provides annual party each year during which the senior management will explain the Company's operation result of the passing year as well as the policy of the year to come. Such has been the annual event from the first year of Company's set up.

1. Promote "sharing" activities whereas specialized staffs share their specialty with other employees.
2. For broader scope of knowledge, Company arranges "Monthly Talk" activities by inviting experts on finance, marketing, etc. to share their experience and knowledge with the employees. There were 5 trainings for the year 2018.
3. Training for professional development are as follow:

3.1 Invite external experts to provide trainings within the Company. There was 1 training in 2018: Corporate Brand Visualization Workshop

3.2 Enter the Company's employees in seminars as a scheme to develop staff potentiality.

Annual training budget has been set for this propose.

Create pleasant working environment

1. Company provides joint activities among employees and staffs with Management to enhance better relationship within the organization.
2. Providing canteen serving food at reasonable price and renovating the canteen for better quality of life. The renovation was completed in December 2015.
3. Providing transportation between Company and public transport.
4. Providing recreation corners, such as, table tennis, yoga class, etc.
5. Providing birthday gifts for staffs.
6. Providing badminton court and football field to support joining activities among staffs.

Environmental conservation

Since the Company's product is service, The Company, focusing on results from its internal operation, conserves the environment by defining the policy of best utilization of resources, be it reusing and recycling. The result of the policy shows in the decrease in management expense.

In 2018, being aware of the global increasing plastic waste problem, we launched "Proud Of Your Cup" project. The campaign was to encourage the employees and vendors in our canteen to reduce the use of disposable plastic cup. We made infographics, short videos and e-mails to the target group. The goal was achieved when our employees were aware of the issue and brought their personal cup to use at the office's canteen. The vendors also stopped selling drinks in plastic cups. It helped the company reduce internal plastic waste.

Human Right

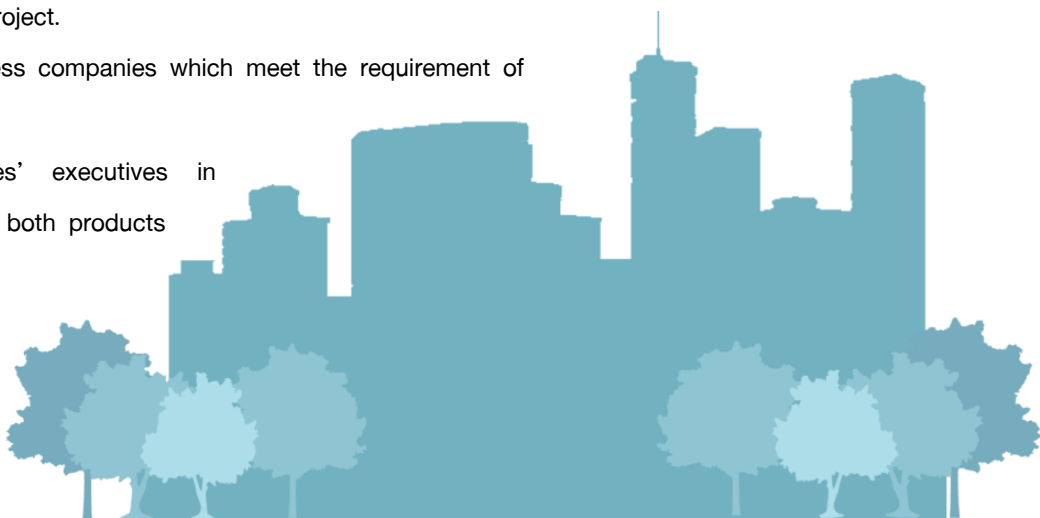
All advertisements must not project the image of abusing human rights, disdainful and intellectual property infringement.

Take part in community and social development

The Company has a policy to provide job opportunity for people living in the vicinity of the Company, the disables and supporting community's activities.

In 2015, the Company initiated "SME" project to share "advertising" knowledge with small business companies in need of advertising their products but without knowledge or with small budget. The followings are details and process of the project.

1. Recruit small business companies which meet the requirement of the project.
2. Interview companies' executives in order to understand both products and needs.



3. Provide workshop on marketing strategy planning, media planning and generate knowledge about advertising on internet.
4. Follow up on the actual practice and result for improvement for the year to come.

In the first year, the project recruited 3 companies which were met with good response and was recommended other small business to join. The Company realizes that the project would be beneficial for small business companies “SME” and planned to run the program every year.

Moreover, in year 2015, the Company carried out sharing knowledge project to Academies by management and staffs to share Creative advertising, Marketing communication, Advertising administration, Management communication, etc. The Company has still run this project.

In 2018, together with Buddhika Network, we supported “Grow Tree Grow Dhamma” project by producing various PR materials for the project without charging the fee. The examples of the works are posters and pictures encouraging people to grow plants with contents about Buddhist principles. The results of this activity were not only the employees got to utilize their skills in helping the society but it also gave them a sense of pride for being a part of creating good things the society, encouraging them to continue the support.



Internal Control and Risk Management

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

The Board of Directors has hired an internal audit firm since 2016. There are many developments in our organization to improve our internal control and reduce risk which may occur in some departments.

Related Transaction

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

Rental income

Reason: The Company charges office rental per used space based on the rate charged to other tenant

Relationship	Company	Amount (thousand baht)
Subsidiaries	• Prakit Advertising Ltd.	2,627
	• Marketing Drive Worldwide(Thailand)Ltd.	480
Associated (Indirect)	• Bangkok Writer & Partners Ltd.	360
Related Company	• Double P Marketing Communication Ltd.	600
	• 62 Content & Design Ltd.	68
Total		4,135

Administration Income

Reason: The Company has agreement with subsidiaries and related companies for management service.

This was due to these companies are not these specialists.

Relationship	Company	Amount (thousand baht)
Subsidiaries	• Prakit Advertising Ltd.	30,379
	• Marketing Drive Worldwide(Thailand)Ltd.	384
Associated (Indirect)	• Bangkok Writer & Partners Ltd.	1,800
Related Company	• 62 Content & Design Ltd. (Executive of the Company listed as Director and Shareholder)	60
Total		32,623

Income from other services, Water / Electricity bill

Reason: The Company has agreed with subsidiaries to charged expense based on estimated used units.

Relationship	Company	Amount (thousand baht)
Subsidiaries	• Prakrit Advertising Ltd.	1,003
	• Marketing Drive Worldwide(Thailand)Ltd.	96
Associated (Indirect)	• Bangkok Writer & Partners Ltd.	89
Related Company	• Double P Marketing Communication Ltd.	126
	• 62 Content & Design Ltd.	16
Total		1,330

Income from Brokerage and service

Reason: The Subsidiaries provide creative work and marketing service to the Company.

Relationship	Company	Amount (thousand baht)
Subsidiaries	• Prakrit Advertising Ltd.	4
	• Marketing Drive Worldwide(Thailand)Ltd.	5
Associated (Indirect)	• Bangkok Writer & Partners Ltd.	911
Related Company	• Double P Marketing Communication Ltd.	6,821
	• Draft Cambodia Co.,Ltd.	15
Total		7,756

Cost of Service

Reason: The Subsidiary provides creative work and marketing service to the Company in market rate. The Company has no specialist in this work.

Relationship	Company	Amount (thousand baht)
Subsidiaries	• Prakrit Advertising Ltd.	7,419
	• Marketing Drive Worldwide(Thailand)Ltd.	725
	• Prakrit Advertising Ltd. (Myanmar)	3
Related Company	• 62 Content & Design Ltd. (Executive of the Company listed as Director and Shareholder)	726
Total		8,873

Dividend Income

Reason: Dividend payment from investment in subsidiaries.

Relationship	Company	Amount (thousand baht)
Subsidiaries	• Prakrit Advertising Ltd.	4,999
	• Marketing Drive Worldwide(Thailand)Ltd.	1,999
Total		6,998

Interest Income

Reason: The Company loan it remaining cash to associated company which needs working capital.

Relationship	Company	Amount (thousand baht)
Associated (Indirect)	• Bangkok Writer & Partners Ltd.	382
Total		382

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

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

- The Company's fixed deposit amounted to 30 million baht has been pledged to as collateral and facilitate an overdraft of 25 million baht and bank guarantee of 5 million baht from the bank for security of Bangkok Writer and Partners Limited.
- The Company mortgaged part of land and building, which is the office building now, to a bank as collateral for 58 million baht for 30 million baht overdrafts facilities of Prakrit Advertising Limited.

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

Financial Statement and operating results

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

Consolidated Financial Statement

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

PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018, 2017 AND 2016

Unit : Baht

ASSETS	Consolidated financial statements		
	2018	2017	2016
CURRENT ASSETS			
Cash and cash equivalents	136,048,545	129,085,052	97,478,142
Current investments			
Private fund	32,263,638	31,739,118	30,327,039
Others	238,066,970	323,986,029	382,239,829
Current portion of held-to-maturity debt securities	15,000,000	12,001,000	16,000,000
Trade accounts and other receivables	364,922,279	350,077,955	252,731,951
Short-term loan to related party	42,000,000	10,000,000	
Other current assets	14,553,130	17,956,077	10,846,266
Total current assets	842,854,562	874,845,231	789,623,227
NON-CURRENT ASSETS			
Bank deposit held as collateral	30,000,000	30,000,000	30,000,000
Investments in joint venture, associated and subsidiary companies	117,770,347	117,292,202	116,429,268
Other long-term investments	122,083,510	114,633,148	114,958,803
Loan to employees	125,000	90,000	25,000
Investment property	46,215,000	46,215,000	46,215,000
Property, plant and equipment	104,669,338	99,319,226	97,346,306
Intangible assets	7	2,530	12,529
Deferred tax assets	13,060,990	6,870,235	9,401,314
Other non-current assets	11,840,567	11,643,950	12,085,499
Total non-current assets	445,764,759	426,066,291	426,473,719
TOTAL ASSETS	1,288,619,321	1,300,911,522	1,216,096,946

PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2018, 2017 AND 2016

	Consolidated financial statements		
	2018	2017	2016
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade accounts and other payable	265,184,026	315,053,041	302,446,115
Accrued income tax	9,174,861	1,950,713	44,348
Other current liabilities	37,782,940	34,376,665	27,033,135
Total current liabilities	312,141,827	351,380,419	329,523,598
NON-CURRENT LIABILITIES			
Deferred Leasehold right	12,312,254	13,396,737	14,481,220
Employee benefit obligations	41,632,538	22,889,447	21,510,767
Other non current liabilities	540,000	-	-
Total non-current liabilities	54,484,792	36,286,184	35,991,987
TOTAL LIABILITIES	366,626,619	387,666,603	365,515,585
EQUITY			
Share capital			
Authorized share capital			
94,438,800 common shares of Baht 1 each	94,438,800	94,438,800	94,438,800
Issued and fully paid - up capital			
54,954,800 common shares of Baht 1 each	-	-	54,954,800
60,450,262 common shares of Baht 1 each	60,450,262	60,450,262	-
Premium on share capital	193,568,560	193,568,560	193,568,560
Retained earnings			
Appropriated to legal reserve	10,000,000	10,000,000	10,000,000
Unappropriated	675,648,100	659,439,635	612,514,980
Other components of equity	(20,389,579)	(12,440,100)	(22,003,173)
Total equity attributable to the Company's shareholders	919,277,343	911,018,357	849,035,167
Non-controlling interests	2,715,359	2,226,562	1,546,194
Total equity	921,992,702	913,244,919	850,581,361
TOTAL LIABILITIES AND EQUITY	1,288,619,321	1,300,911,522	1,216,096,946

PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018, 2017 AND 2016

	Consolidated financial statements		
	2018	2017	2016
REVENUES			
Revenue from rendering services	243,504,746	323,502,065	226,864,625
Commission income	190,747,078	157,060,737	138,150,159
Interest income	5,132,467	4,836,726	4,557,340
Dividend income	2,866,961	1,332,745	2,909,747
Management income	1,860,000	1,895,000	1,920,000
Other revenues	28,656,933	26,807,528	29,177,292
Total revenues	472,768,185	515,434,801	403,579,163
EXPENSES			
Cost of rendering of services	203,885,557	280,517,055	194,424,627
Selling expenses	62,104,087	60,191,482	55,924,907
Administrative expenses	114,142,749	103,762,593	86,850,357
Total expenses	380,132,393	444,471,130	337,199,891
Profit before share of net results from investments in joint venture and associated companies	92,635,792	70,963,671	66,379,272
Share of profit from investments in joint venture and associated companies- equity method	773,583	1,940,934	1,319,557
Profit before income tax	93,409,375	72,904,605	67,698,829
Income tax	(18,515,794)	(14,854,855)	(12,810,371)
Net profit for the year	74,893,581	58,049,750	54,888,458
Other comprehensive income (loss):			
Item that will not be reclassified to profit or loss			
Actuarial gain (losses)	(11,924,527)	-	(4,124,772)
Share of loss from investments in joint venture company	(369,296)	-	824,955
Income tax effect	2,458,764		
	(9,835,059)	-	(3,299,817)
Items that may be reclassified subsequently to profit or loss			
Gain(loss) of revaluation of available for sale investment	(9,547,093)	12,133,194	9,846,770
Foreign currency translation differences for foreign operation	(311,804)	(143,482)	(180,370)
Income tax effect	1,909,418	(2,426,639)	(1,969,354)
	(7,949,479)	9,563,073	7,697,046
Other comprehensive income (loss) for the year, net of income tax	(17,784,538)	9,563,073	4,397,229
Total comprehensive income for the year	57,109,043	67,612,823	59,285,687
Profit attributable to:			
Owners of the Company	74,403,734	58,101,059	54,641,042
Non-controlling interests	489,847	(51,309)	247,416
Net profit for the year	74,893,581	58,049,750	54,888,458
Total comprehensive income (loss) attributable to:			
Owners of the Company	56,619,196	67,664,132	59,038,271
Non-controlling interests	489,847	(51,309)	247,416
Total comprehensive income for the year	57,109,043	67,612,823	59,285,687
Earnings per share (Unit :Baht)			
Basic earnings per share	1.23	0.96	0.98

PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGE IN SHAREHOLDERS' EQUITY(CONSOLIDATED)
FOR THE YEAR ENDED 31 DECEMBER 2018, 2017 AND 2016

	Equity attributable to owners of the Company												
	Retained earnings						Other components of shareholders' equity			Equity attributable to owners of the Company	Non-controlling interests	Total Shareholders' equity	
							Fair value changes in available-for-sale investments	Currency translation differences	Total other components of equity				
	Issued and paid-up share capital	Share premium	Surplus on sale of treasury shares	Legal reserve	Unappropriated	Reserve for Share	stock						
Balance at 1 January 2016	60,000,000	193,568,560	-	10,000,000	598,463,915	79,460,000	(79,460,000)	(29,642,420)	(57,799)	(29,700,219)	832,332,256	1,299,828	833,632,084
Dividends paid	-	-	-	-	(54,784,800)	-	-	-	-	-	(54,784,800)	(1,050)	(54,785,850)
Total comprehensive income for the year													-
Profit for the year	-	-	-	-	54,641,042						54,641,042	247,416	54,888,458
Other comprehensive income					-	-	-	-	-	-	-	-	-
Actuarial gain (losses)	-	-	-	-	(3,299,817)	-	-	-	-	-	(3,299,817)	-	(3,299,817)
Other	-	-	-	-	-	-	-	7,877,416	(180,370)	7,697,046	7,697,046	-	7,697,046
Sale of treasury shares		-	2,108,680	-	10,340,760	(10,340,760)	10,340,760	-	-	-	12,449,440	-	12,449,440
Cancellation of treasury shares	(5,045,200)	-	(2,108,680)	-	7,153,880	(69,119,240)	69,119,240	-	-	-	-	-	-
Balance at 31 December 2016	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
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
Stock 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
Profit (loss) for the year	-	-	-	-	58,101,059	-	-	-	-	-	58,101,059	(51,309)	58,049,750
Other comprehensive income (loss)	-	-	-	-	-	-	-	9,706,555	(143,482)	9,563,073	9,563,073	-	9,563,073
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
Dividends paid	-	-	-	-	(48,360,210)	-	-	-	-	-	(48,360,210)	(1,050)	(48,361,260)
Total comprehensive income for the year													-
Profit for the year	-	-	-	-	74,403,734	-	-				74,403,734	489,847	74,893,581
Other comprehensive income					-			-	-	-	-	-	-
Actuarial gain (losses)	-	-	-	-	(9,539,622)	-	-	-	-	-	(9,539,622)	-	(9,539,622)
Share of loss from investment in joint venture	-	-	-	-	(295,437)	-	-	-	-	-	(295,437)	-	(295,437)
Other	-	-	-	-	-	-	-	(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

PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018, 2017 AND 2016

	Consolidated financial statement		
	2018	2017	2016
Cash Flows from Operating Activities			
Profit for the year	74,893,581	58,049,750	54,888,458
Adjustment to net cash from operating activities			
Depreciation	9,171,725	7,924,972	6,587,552
Amortisation of intangible assets	2,523	9,999	9,999
Bad debts	1,281,350		
Impairment loss from investment	-	3,142,837	-
Reversal of allowance for doubtful debts	-	-	(2,083,109)
(Gain) loss on sales of current and long-term investments	(3,540,153)	(2,391,629)	(4,457,894)
(Gain) loss on adjustment of fair value of current investment	(2,009,808)	(5,041,104)	(5,710,674)
(Gain) loss on sale of equipment	(179,168)	(224,870)	(345,412)
Provisions for employee benefits	10,588,964	2,214,680	2,349,898
Revenue from deferred lease right	(1,084,483)	(1,084,483)	(1,084,483)
Dividend income	(2,866,961)	(1,332,745)	(2,909,747)
Interest income	(5,132,467)	(4,836,726)	(4,557,340)
Share of (profit) loss from associated companies and joint venture - equity method	(773,583)	(1,940,934)	(1,319,557)
Unrealized (gain) loss form exchange rate	75,497	43,555	(64,150)
Income tax expense	18,515,794	14,854,855	12,810,371
	98,942,811	69,388,157	54,113,912
Changes in operating assets and liabilities			
Current investments sold	176,071,218	142,061,573	127,219,869
Addition to current investments	(88,382,672)	(80,000,000)	(187,108,738)
Trade and other accounts receivable	(15,974,628)	(105,904,099)	67,774,555
Other current assets	7,714,066	(16,951,907)	6,437,997
Other non current assets	(196,616)	441,549	(5,221,464)
Trade and other account payable	(49,869,013)	12,606,925	34,435,928
Other current liabilities	3,406,273	7,343,530	(1,780,494)
Other non-current liabilities	540,000	-	-
Employee benefit obligations paid	(3,770,400)	(836,000)	(2,561,600)
Net cash Provided by (used in) Operating Activities	128,481,039	28,149,728	93,309,965
Income tax paid	(17,499,197)	(3,001,953)	(45,198,878)
Net cash Provided by (used in) Operating Activities	110,981,842	25,147,775	48,111,087

PRAKIT HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018, 2017 AND 2016

	Consolidated financial		
	statement		
	2018	2017	2016
Cash Flows from Investing Activities			
Loans to employees	(200,000)	(200,000)	-
Repayments from employees.	130,000	280,000	560,000
Short-term loans to related parties	(32,000,000)	(10,000,000)	-
Increase in long - term investments	(80,193,959)	(36,428,427)	(51,429,739)
Proceeds from redemption of long-term investments	12,001,000	28,000,000	20,000,000
Proceeds from sales of long-term investments	51,452,459	33,355,320	40,180,647
Purchase of property, plant and equipment	(14,951,542)	(10,034,644)	(11,136,798)
Proceeds from sale of equipment	579,439	336,649	390,075
Dividend received	2,866,961	2,410,745	2,909,748
Interest received	4,940,924	4,354,198	5,291,032
Net cash provided by (used in) investing activities	(55,374,718)	12,073,841	6,764,965
Cash flows from financing activities			
Dividend paid	(48,360,210)	(5,495,498)	(54,784,800)
Proceed from sale of treasury shares	-	-	12,449,440
Dividend paid to non-controlling interests	(1,050)	(700)	(1,050)
Net cash provided by (used in) financing activities	(48,361,260)	(5,496,198)	(42,336,410)
Net increase (decrease) in cash and cash equivalent	7,245,864	31,725,418	12,539,642
Cash and cash equivalent at 1 January	129,085,052	97,478,142	85,102,746
Gain(loss) from currency translation of foreign subsidiary financial statement	(282,371)	(118,508)	(164,246)
Cash and Cash Equivalent at 31 December	136,048,545	129,085,052	97,478,142
Non-cash Transactions			
Unutilized credit facilities for future working capital	41,000	41,000	41,000

Management Discussion and Analysis on the Operating results and Financial Status

Operating results Total revenue from advertising activities of the company's group in the year 2018 was amounting to Baht 230.37 million while other income was amounting to Baht 38.51 million, totally Baht 268.88 million. After having deducted with selling and administrative expenses amounting to Baht 176.24 million, there was profit from recurring activities amounting to Baht 92.64 million. After having deducted with income tax amounting to Baht 18.51 million, there was profit from recurring activities after tax amounting to Baht 74.13 million. Moreover, there was share of profit from associated companies amounting to Baht 0.77 million, therefore, there was net profit for the year 2018 amounting to Baht 74.90 million. Apart from net profit net profit for the year, there was other comprehensive loss-net from tax effect amounting to Baht 17.79 million. Consequently, there was total comprehensive income for the year 2018 amounting to Baht 57.11 million.

Financial Status As at December 31, 2018 total assets of the company's group was amounting to Baht 1,288.62 million whereas total liabilities was amounting to Baht 921.99 million, therefore, total owners' equity was amounting to Baht 366.63 million. So, total liabilities was only 28.5% of total assets and 39.8% of total owners' equity. Especially, there wasn't any short or long term loans, therefore, there was no obligation to repay the principal and interests. Moreover, there were net profit as well as total comprehensive income continuously including there is a chance to derive additional income in the future from the investment in Sukhumvit 62 Medical Limited. Therefore, it could be concluded that long-term financial status of Prakti's group is quite sound. In addition, short-term financial status of Prakti's group is also quite sound because current assets as at December 31, 2018 was amounting to Baht 842.85 million whereas current liabilities was amounting to Baht 312.14 million, so, current assets was greater than current liabilities 2.7 times while quick current assets was greater than current liabilities 2.4 times. Moreover, most of clients settle on time which also enable the company's group could also settle current liabilities on time.

Conclusion Operating results and financial status of Prakti's Group of the year 2018 were favorable.

In addition, it is expected that the advertising budgets in the year 2019 will lower than the year 2018 because Prakti Advertising lose a major client in the year 2018. So, the companies group is intendtionally to speed up in acquiring new clients including expand the business through the potential channels. Accordingly Prakti's group is still confident in able to operate the business continuously.

Explanation and Analysis on Operating Results and Financial Status

Operating results

The business of Prakti's group is mainly dealing with advertising activities. There are two type of services render to clients, which are producing the advertising materials as well as planing and buying media for clients. The company's group would be provided budgets of both activities from clients to manage for them accordingly. However, the revenues from both activities are determined differently. They are as follows:

1. Revenue from producing advertising materials means total amount of billings charged to clients for collecting total costs of producing advertising materials plus agency's service fees. This revenue presented in

Comprehensive Income Statement under the terminology "Revenue from rendering service" where as costs of producing advertising materials would be presented separately under the terminology "Cost of rendering of services".

2. Revenue from planning and buying media for clients means total amount of billings charged to clients for collecting both of media costs and agency's commission less total amount of invoices charged from media owners. Consequently, this revenue presented in Comprehensive Income Statement with the amount of agency's fee and under the terminology "Revenue from agency".

Since the operating performance of advertising business is specific type, therefore, the classification of revenues costs and expenses should be difference from the others so as to reflect true operating performance of this type of business. To serve the analytical purpose correctly, the original form of Consolidated Comprehensive Income Statement is modified as follows:

Consolidated Comprehensive Income Statement (After having Modification)

(Unit : Million Baht)

Description	Prakit Group		
	Yr 2018	Yr 2017	Yr 2016
1. Income from service	243.50	323.50	226.86
2. <u>Less</u> Cost of service	(203.88)	(280.52)	(194.42)
3. Income from service (net)	39.62	42.98	32.44
4. Agency fees	190.75	157.06	138.15
5. Total income from advertising activities	230.37	200.04	170.59
6. Management Income	1.86	1.89	1.92
7. Interest income	5.13	4.84	4.56
8. Dividend income	2.87	1.33	2.91
9. Other income	28.65	26.81	29.18
10. Total income from other activities	38.51	34.87	38.57
11. Total income from recurring activities	268.88	234.91	209.16
12. <u>Less</u> Selling expenses	(62.10)	(60.19)	(55.93)
13. <u>Less</u> Administrative expenses	(114.14)	(103.76)	(86.85)
14. Profit from recurring activities-before tax	92.64	70.96	66.38
15. Income tax expenses	(18.51)	(14.86)	(12.81)
16. Profit from recurring activities-after tax	74.13	56.10	53.57
17. Share of profit from associated companies and joint venture	0.77	1.94	1.32
18. Net profit for the year	74.90	58.04	54.89
19. Other comprehensive income (loss):			
20. Net change in fair value of available for sale investment	(9.55)	12.13	9.85
21. Foreign currency translation differences for foreign operation	(0.31)	(0.14)	(0.18)
22. Actuarial gains recognized in other comprehensive	(11.92)	0.00	(4.12)
23. Share of profit (loss) from investment in joint venture	(0.37)	0.00	0.00
24. Total other comprehensive income (loss) before income tax	(22.15)	11.99	5.55
25. Income tax on other comprehensive income (loss)	4.36	(2.42)	(1.15)
26. Total other comprehensive income (loss) after income tax	(17.79)	9.57	4.40
27. Total comprehensive income for the year	57.11	67.61	59.29

With reference to the modified Comprehensive Income Statement, the operating results of the company's group in the year 2018 are summarized through each activity as follows:

1. Main activity or advertising activity

The revenue from rendering services as well as the revenue from agency of the company's group during the years 2016-2018 were as follows:

1.1 Revenue from rendering services the year 2018 was Baht 243.50 million whereas the year 2017 and the year 2016 were Baht 323.50 and 226.86 million respectively. The much decreasing of this revenue from the year 2017 was due to the much decreased spending budgets on the producing of advertising materials of a subsidiary's 2 main clients. Moreover, some clients of the parent company was also spend budgets on the producing of advertising materials much decreased from the year 2017.

Cost of service The year 2018 was Baht 203.88 million whereas the year 2017 and the year 2016 were Baht 280.52 and 194.42 million respectively. The much decreasing of this item from the year 2017 was due to the same reasons as before-said.

Net Revenue from rendering services means revenue from rendering services deduct with its costs. The year 2018 was Baht 39.62 million whereas the year 2017 and the year 2016 were Baht 42.98 and 32.44 million respectively. Although revenue from rendering services of the year 2018 was much lower than the year 2017 (Baht 80.00 million) but net revenue from rendering services was so little lower than the year 2017 (Baht 3.36 million). This was due to the low rate of net revenue from rendering services. Moreover, the said rate of the year 2018 was 16.3% while it was only 13.3% in the year 2017. However, this item of the year 2018 was Baht 7.18 million higher than the year 2016

1.2 Revenue from agency The year 2018 was Baht 190.75 million whereas the year 2017 and the year 2016 were Baht 157.06 and 138.15 million respectively. This revenue of the year 2018 increased from the year 2017 and the year 2016 amounting to Baht 33.69 and 52.60 million respectively. The increasing of this revenue was due to the much spending on media budgets of the parent company's walk in clients while the subsidiary companies' client s spent decrease slightly.

Total revenues from advertising activity means net revenue from rendering services plus revenue from agency. Therefore, the year 2018 was Baht 230.37 million whereas the year 2017 and the year 2016 were Baht 200.04 and 170.59 million respectively.

Conclusion Total revenues from advertising activity in the year 2018 was higher than the years 2017 and 2016 amounting to Baht 30.33 and 59.78 million respectively.

2. Other recurring activities

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

2.1 Management income The year 2018 was Baht 1.86 million whereas the year 2017 and the year 2016 were Baht 1.89 and 1.92 million respectively. So, this revenue of the year 2018 was lower than the years 2017 and 2016 slightly.

2.2 Interest income The year 2018 was Baht 5.13 million whereas the year 2017 and the year 2016 were Baht 4.84 and 4.56 million respectively. The increasing of this revenue from the years 2017

and 2016 was due to the parent company's increased the investment on held-to-maturity debt securities during the year 2018 including the average of bank deposits during the year 2018 was also increase from both years. In addition, interest rates on debt securities and bank deposits in the year 2018 closed to the previous years.

2.3 Dividend income The year 2018 was Baht 2.87 million whereas the year 2017 and the year 2016 were Baht 1.33 and 2.91 million respectively. Resulting from the investment on equity securities in the year 2018 increased from the year 2017 and closed to the year 2016, this revenue of the year 2018 was also increase from the year 2017 and closed to the year 2016. In addition, dividend pay out ratio of the investments in the year 2018 closed to the previous years.

2.4 Other income means other recurring revenues such as gain from sale of investments, rent income and etc. The year 2018 was Baht 28.65 million whereas the years 2017 and 2016 were Baht 26.81 and 29.18 million respectively. Therefore, the year 2018 increased slightly from the year 2017 and decreased slightly from the year 2016.

Total revenues from other activities. The year 2018 was Baht 38.51 million whereas the year 2017 and the year 2016 were Baht 34.87 and 38.57 million respectively.

Total revenues from recurring activities means revenue from main activity, i.e., advertising activity plus revenues from other recurring activities. The year 2018 was Baht 268.88 million whereas the year 2017 and the year 2016 were Baht 234.91 and 209.16 million respectively. Consequently, total revenues from recurring activities in the year 2018 was higher than the years 2017 and 2016 amounting to Baht 33.97 and 59.72 million respectively.

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

Selling expenses The year 2018 was Baht 62.10 million whereas the year 2017 and the year 2016 were Baht 60.19 and 55.93 million respectively. The increase of selling expenses in the year 2018 was due to the increase of personnel expenses in selling departments of the company's group while other selling expenses changed slightly.

Administrative expenses. The year 2018 was Baht 114.14 million whereas the year 2017 and the year 2016 were Baht 103.76 and 86.85 million respectively. The increase of administrative expenses was due to the increase of personnel expenses in other departments of the company's group. Moreover, during the year 2018 there were increase so much from the adjusting on employee benefits to conform with the latest correction of labour law including the increase of depreciation which resulted from the renovation and interior decoration of building while other administrative expenses changed slightly.

Profit from recurring activities-before tax means total revenues from recurring activities deduct with selling and administrative expenses. The year 2018 was Baht 92.64 million whereas the year 2017 and the year 2016 were Baht 70.96 and 66.38 million respectively.

Income tax expenses Income tax rate for all 3 years was 20% equally. However, profit from recurring activities - before tax of all 3 years were adjusted slightly in order to calculate income tax expenses in accordance with the revenue code. Therefore, income tax expense for the year 2018 was Baht 18.51 million whereas the year 2017 and the year 2016 were Baht 14.86 and 12.81 million respectively.

Profit from recurring activities-after tax The year 2018 was Baht 74.13 million whereas the year 2017 and the year 2016 were Baht 56.10 and 53.57 million respectively.

3. Non-recurring activity This item was none for all three years

4. Investing activities in associated companies and joint venture The return on this investment is share of profit (loss) from investment in associated companies and joint venture equity method. The year 2018 was Baht 0.77 million whereas the year 2017 and the year 2016 were Baht 1.94 and 1.32 million respectively.

Net profit for the year The year 2018 was Baht 74.90 million whereas the year 2017 and the year 2016 were Baht 58.04 and 54.89 million respectively. Therefore, net profit for the year 2018 higher than the years 2017 and 2016 amounting to Baht 16.86 and 20.01 million respectively.

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

1. Gain (loss) on fair value adjustment of available for sale investment The year 2018 was loss at Baht 9.55 million whereas the year 2017 and the year 2016 were gain at Baht 12.13 and 9.85 million respectively because fair value of the holding securities at year end 2018 decreased from the end of both years sharply.

2. Foreign currency translation differences for foreign operation The year 2018 was loss at Baht 0.31 million whereas the year 2017 and the year 2016 were loss at Baht 0.14 million and 0.18 million respectively.

3. Actuarial gains (losses) on the employee's benefit scheme to conform with the latest correction of labour law. The year 2018 was loss at Baht 11.92 million whereas there wasn't adjustment in the year 2017 and the year 2016 was loss at Baht 4.12 million including there was share of loss from joint venture in the year 2018 amounting to Baht 0.37 million.

Followings were the sum of the said 3 items, income tax effects and total other comprehensive income (loss)-net of income tax during the years 2016-2018

	(Unit : Million Baht)		
	Yr 2018	Yr 2017	Yr 2016
Total other comprehensive income(loss) before income tax	(22.15)	11.99	5.55
Income tax effects	4.36	(2.42)	(1.15)
Total other comprehensive income(loss)-net income tax	(17.79)	9.57	4.40

Total comprehensive income for the year means net profit for the year plus or deduct with other comprehensive income (loss) after tax effects. So, the year 2018 was Baht 57.11 million whereas the year 2017 and the year 2016 were Baht 67.61 and 59.29 million respectively.

Conclusion Considering especially to net profit for the year, the amount of the year 2018 was higher than the years 2017 and 2016. However, if consider to comprehensive income for the year, the amount of the year 2018 was lower than both years. The causes in this regard has been afore-mentioned.

Financial ratios for evaluate the operational results

Financial ratios in relevant with operating results are as follows :

1. Profitability ratios

	(Unit)	Yr 2018	Yr 2017	Yr 2016
Profit from peducing of advertising materials	(%)	16.27	13.29	14.30
Profit from recurring activities	(%)	4.48	2.98	3.27
Net profit for the year	(%)	4.52	3.09	3.35
Return on equity	(%)	8.16	6.59	6.53

2. Efficiency ratio

	(Unit)	Yr 2018	Yr 2017	Yr 2016
Return on assets	(%)	5.79	4.61	4.55

3. Growth rates

	(Unit)	Yr 2018	Yr 2017	Yr 2016
Billings	(%)	(12.01)	14.68	(6.79)
Total income from advertising activities	(%)	15.16	17.26	(9.72)
Total income from recurring activities	(%)	14.46	12.31	2.49
Operating Expenses	(%)	7.5	14.83	0.88
Profit from recurring activities-after tax	(%)	32.14	4.72	6.86
Net profit for the year	(%)	29.05	5.74	(52.88)

Conclusion The operating results of the year 2018 in comparison with the years 2017 and 2016 are summarized as follows:

Even though net revenue from producing the materials of advertising in the year 2018 decreased from the year 2017 slightly, revenue from planning and buying media for clients in the year 2018 was still much increased from the years 2017 and 2016. Therefore, revenues from advertising activity or main revenue in the year 2018 was higher than both years very much. Moreover, total revenue from other recurring activities in the year 2018 was higher than the years 2017 and closed to the year 2016. When adding revenues from advertising activity with total revenue from other recurring activities to be total revenues from recurring activities, the year 2018 was also higher than the year 2017 and 2016 very much. After having deducted with selling and administrative expenses to be profit from recurring activities both before and after income tax expenses, the year 2018 was still much higher than the year 2017 and 2016. Finally, when adding up with share of profit from associated companies and joint venture to be net profit for the year, it was the same direction that the year 2018 was still higher than both years.

In addition, every item of profitability ratios, efficiency ratio and almost all of growth rates in relevant with operating results for the year 2018 were higher than the years 2017 and 2016. Therefore, the operating results for the year 2018 according to the overall consideration were better than the years 2017 and 2016.

However, the afore conclusion regardless to the items in other comprehensive income (OCI) because the value of them could be changed in the future.

Financial Status

<u>Asset</u>	<u>Baht : million</u>		
	<u>Dec.31, 2018</u>	<u>Dec.31, 2017</u>	<u>Dec.31, 2016</u>
Current assets	842.85	874.84	789.62
Non-current assets	445.77	426.07	426.48
Total	<u>1,288.62</u>	<u>1,300.91</u>	<u>1,216.10</u>

Explanations :

1. Total assets of the company and its subsidiary companies as at December 31, 2018 was Baht 1,288.62 million whereas total assets of the company and its subsidiary companies as at December 31, 2017 and December 31, 2016 were Baht 1,300.91 million and Baht 1,216.10 million respectively.
2. The changes of assets in the year 2018 from the year 2017 were as follows:

	<u>Baht : million</u>
Cash and cash equivalent increased	6.96
Current Investments in private fund increased	0.52
Other current investment decreased	(85.92)
Current portion of held-to-maturity debt securities increased	3.00
Trade accounts and other receivables increased	14.84
Short-term loan to related party increased	32.00
Other current assets decreased	(3.40)
Bank deposit held as collateral	Not changed
Investments in joint venture, associated and subsidiary companies increased	0.48
Other long-term investment decreased	7.45
Loan to employees increased	0.04
Investment property	Not changed
Property, plant and equipment increased	5.35
Intangible assets	Not changed
Deferred tax assets increased	6.19
Other non-current assets increased	0.20
Total decreased	<u>(12.29)</u>

The above changes were summarized as follows:

1. Cash and cash equivalent increased Baht 6.96 million. It provided from operating activities Baht 110.98 million , used in investing activities Baht 55.38 million, used in financing activities Baht 48.36 million and used in other activities Baht 0.28 million.
2. Other current investments decreased sharply were due to the excess of selling over purchasing in order to use for the investment in another assets.
3. Current portion of held-to maturity debt securities increased were due to the excess of purchasing over maturity.

4. Trade accounts and other receivables increased were due to the increase of clients' spending on advertising budgets.
5. Short-term loan to related party increased were due to the insufficient of working capital.
6. Other current assets decreased were due to the decrease of input tax and withholding tax from the clients.
7. Other long-term investments increased were due to the excess of purchasing over selling.
8. Property, plant and equipment increased were due to the renovation and interior decoration of building.
9. Deferred tax assets increased were due to the increased adjustment on the employee benefit which reflected to other comprehensive loss and tax effects.
10. Other assets changed slightly.

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

1. Most of clients settle on time. Their average collection period in the year 2018 was 69 days which slower than both years. However, the allowance for doubtful accounts as at December 31, 2018 was Baht 16.59 million which estimated from the analysis of the clients' settlement in the past together with the expectation of the clients' repayment in the future.
2. Short-term and long-term investment consist of investment in private fund and investment in debt and equity securities. Their total fair-value as at December 31, 2018 changed from the end of last year. As at December 31, 2018 there was unrealized loss from adjustment of fair value in securities amounting to Baht 24.62 million whereas the end of the year 2017 and the year 2016 were Baht 15.07 and 27.20 million respectively.
3. The recoverable amount of PPE (property, plant and equipment) as well as investment property as at December 31, 2018 were greater than carrying amount, therefore, there was no impairment of assets.

	Baht : million		
<u>Liabilities</u>	<u>Dec.31, 2018</u>	<u>Dec.31, 2017</u>	<u>Dec.31, 2016</u>
Current Liabilities	312.14	351.38	329.52
Non-current liabilities	54.49	36.29	35.99
Total	<u>366.63</u>	<u>387.67</u>	<u>365.51</u>

Explanations:

1. Total liabilities of the company and its subsidiary companies as at December 31, 2018 was Baht 366.63 million whereas total liabilities of the company and its subsidiary companies as at December 31, 2017 and December 31, 2016 were Baht 387.67 million and Baht 365.51 million respectively.
2. The change of liabilities in the year 2018 from the year 2017 were as follows:

	Baht : million
Trade accounts and other payables decreased	(49.87)
Accrued income tax increased	7.23
Other current liabilities increased	3.41

	Baht : million
Employee benefit obligations increased	18.74
Deferred lease right decreased	(1.08)
Other non-current liabilities increased	0.54
Total decreased	<u>(21.03)</u>

The above changes were summarized as follows :

1. Trade accounts and other payables decreased were due to the faster of repayment to trade accounts in the year 2018 in order to obtain cash discounts. Moreover, deposit from clients as well as accrued expenses decreased very much.
2. Accrued income tax increased was due to the increase of profit before tax for the year 2018.
3. Other current liabilities increased were due to the increase of output tax and withholding tax.
4. Employee benefit obligations increased were due to the increased adjustment on employee benefit which calculated according to actuarial basis.
5. Deferred lease right decreased was due to the amortization to income by straight-line method every year.
6. Other none current liabilities incresed were due to the advanced receiving for quarantee the rent of area for installation LED screen.

Shareholders' equity

	Baht : million		
	<u>Dec.31, 2018</u>	<u>Dec.31, 2017</u>	<u>Dec.31, 2016</u>
Shareholders' equity	<u>921.99</u>	<u>913.24</u>	<u>850.59</u>

1. Shareholders' equity of the company and its subsidiary companies as at December 31, 2018 was Baht 921.99 million whereas shareholders' equity of the company and its subsidiary companies as at December 31, 2017 and December 31, 2016 were Baht 913.24 million and Baht 850.59 million respectively.
2. The changes of shareholders' equity in the year 2018 from the year 2017 were as follows:

	Baht : million
Total comprehensive income for the year	57.11
Dividend paid for the year	(48.36)
Total	<u>8.75</u>

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

1. Financial policy ratios

	Unit	<u>Dec.31, 2018</u>	<u>Dec.31, 2017</u>	<u>Dec.31, 2016</u>
Debt/Equity Ratio	(Times)	0.40	0.42	0.43
Interest Coverage Ratio	(Times)	none	none	none
Dividend Payout Ratio	(%)	Dividend hasn't been declared	83.33	20.03

According to the above results, these ratios for the year 2018 closed to the years 2017 and 2016 because debt-to-equity ratio for the year 2018 closed to both years. However, the financial risks for all 3 years were slightly because total debt was so little when compared with shareholders' equity, moreover, there was no short-term or long-term loans, therefore, there was no interest obligation. In addition, dividend hasn't been declared for the year 2018.

2. Per share ratios

	<u>Unit</u>	<u>Dec.31, 2018</u>	<u>Dec.31, 2017</u>	<u>Dec.31, 2016</u>
Book value per share	(Baht)	15.21	15.07	15.45
Profit from recurring activities per share	(Baht)	1.23	0.93	0.96
Earning per share	(Baht)	1.23	0.96	0.98
Dividend per share	(Baht)	Dividend hasn't been declared	0.80	Cash 0.10 and share rate 10:1

According to the above results, per share ratios in the year 2018 were better than the years 2017 and 2016 because book value per share of the year 2018 was better than the year 2017 and closed to the year 2016. Moreover, the other ratios of the year 2018 were better than both years.

3. Growth rates

	<u>Unit</u>	<u>Yr 2018</u>	<u>Yr 2017</u>	<u>Yr 2016</u>
Assets	(%)	(0.94)	6.97	1.51
Liabilities	(%)	(5.43)	6.06	0.29

According to the above results, growth rate of assets in the years 2017 and 2016 were higher than those of liabilities while the negative growth rate of liabilities in the year 2018 was higher than that of assets. Therefore, shareholders' equity of 3 consecutive years increased at all.

Conclusion The Financial status of the company and its subsidiary companies was sound because debt to equity ratio of all 3 years were closely and quite low which total liabilities was less than 50% of shareholders' equity, especially, there wasn't any loan and interest obligation. Moreover, the company's group had net profit continuously. Although there were losses on fair value adjustment of available for sale investment in some years, there were total comprehensive income every years. Consequently, shareholders' equity increased continuously.

Liquidity

Liquidity ratios

	<u>Unit</u>	<u>Dec.31, 2018</u>	<u>Dec.31, 2017</u>	<u>Dec.31, 2016</u>
Current Ratio	(Times)	2.70	2.49	2.40
Quick Ratio	(Times)	2.40	2.28	2.16
Cash Flows Ratio	(Times)	0.33	0.08	0.15
Accounts Receivable Turnover	(Times)	5.25	7.69	6.88
Average Collection Period	(Days)	69	47	52
Accounts payable Turnover	(Times)	6.25	7.12	6.97
Average Payment Period	(Days)	58	51	51
Cash Cycle	(Days)	11	(4)	1

Conclusion The liquidity for the year 2018 closed to the year 2017 and 2016 because the liquidity ratio, i.e., current ratio, quick ratio, cash flows ratio, accounts receivable turnover ratio, average collection period, accounts payable turnover ratio, average payment period and cash cycle for the year 2018 closed to both years. Moreover, the liquidity of all 3 years were favorable because the amount of current assets and quick current assets larger than current liabilities about 2 times which enough to settle the whole current liabilities on time. In addition, cash cycle for the year 2018 was only 11 days. So, the efficiency on the management of assets is favorable.

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

		Consolidated financial statements		Separate financial statements	
	Notes	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											
		Retained earnings				Other components of equity					
						Fair value		Equity			
						changes in	Currency	Total other	attributable to		
						available-for-sale	translation	components of	owners of the	Non-Controlling	Total
Notes	share capital	Share premium	Legal reserve	Unappropriated	investments	differences	equity	Company	Interests	equity	
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	21	5,495,462	-	-	-	-	-	5,495,462	-	5,495,462	
Dividend paid	21	-	-	(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	21	-	-	(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

			Retained earnings		Other components of equity	Total equity
					Fair value changes in available-for-sale investments	
Notes	Issued and paid - up share capital	Share premium	Legal reserve	Unappropriated		
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	5,495,462	-	-	-	-	5,495,462
Dividend paid	-	-	-	(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	-	-	-	(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

		Consolidated financial statements		Separate financial statements	
	Notes	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
--------	--------------------------------------

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
-------------------	---	-------

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 financial statements		Separate 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 financial statements		Separate 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

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

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	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

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	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	Valuation				
		Paid-up share	Investment			
		capital	Ownership	Cost	Equity	Dividend
		(in Baht)	(%)	method	method	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	-
					117,292	588

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		<u>-</u>	<u>-</u>
Total investments in subsidiaries		<u><u>13,659</u></u>	<u><u>13,659</u></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						
		Capital (in Baht/ US\$)	Investment Ownership		Valuation of investments		Dividend	
			(%)		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	Advertising	2,000,000	99.965	99.965	1,999	1,999	1,999	1,999
Prakit Advertising Co.,Ltd.(Myanmar)	Advertising	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	431,388
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 invesment	-	-	(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 invesment	-	-	(3,143)	(3,143)
Total equity securities	65,504	-	-	65,504
Unit fund – at cost	4,866	-	-	4,866
Unraalized 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								
		Buildings and	Land	Leasehold asset	Furniture and	Office		Construction in	
At Cost	Land	improvement	improvement	improvement	fixtures	equipment	Vehicles	progress	Total
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							
		Buildings and	Land	Furniture and	Office		Construction in	
At Cost	Land	improvement	improvement	fixtures	equipment	Vehicles	progress	Total
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				
	(Charged) / Credited to:				
	1 January	Profit or	Other	Recognized	31
	2018	loss	comprehen- sive income	direct to Equity	December 2018
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	-	9,256
Deferred tax liabilities				
Investments in marketable securities	1,779	607	-	2,386
Total	1,779	607	-	2,386
Net	9,402	(106)	-	6,870

Unit : Thousand Baht

Separate financial statements				
	(Charged) / Credited to:			
		Other	Recognized	
1 January	Profit or	comprehend	direct to	31 December
2018	loss	sive income	Equity	2018
Deferred tax assets				
Investments in other securities	628	-	-	628
Investments in marketable securities	3,014	-	-	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)	-	2,078
Total	2,250	(167)	-	2,078
Net	3,216	1,228	(65)	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	Profit or	Other	Recognized	31 December
	2017	loss	comprehend	direct to	2017
			sive income	Equity	
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.

	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

		Unit : Thousand shares/ Baht Thousand			
	Par value	2018		2017	
	(Baht)	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:

	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

	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:

	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						
	Fixed Rate						
	Within 1	1 – 5	>5	Adjusted	No		Interest
	year	years	years	to market	interest	Total	rates (%)
				rate	rate		per annum)
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						
	Fixed Rate			Adjusted to market rate	No interest rates	Total	Interest rates (%) per annum)
	Within 1	1 – 5	>5 years				
	year	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 .

