



# **Annual Registration Statement /Annual Report**

20  
21



# Board of Directors Report to Shareholders

---

2021 was another year in which all countries around the world faced the problem of the Covid-19 epidemic. In the first year of the outbreak there was universal optimism that the disease would not be severe and that it would easily be brought under control. Unfortunately, Covid-19 was more serious than expected and was able to spread from continent to continent quickly. Fortunately, the rapid development and distribution of effective vaccines has helped to bring down the number of cases and also the severity of the Covid infection itself.

And although the world is currently dealing with new strains of the Covid-19 virus such as Omicron, countries realize that the continuing economic problems they face call for a change in strategy. Many have now adopted a “Living with Covid-19” mindset. This has resulted in the easing of border restrictions in many countries so that international business and leisure travel can resume.

Thailand, which relies heavily on tourist income, has been quick to embrace this new travel reality. The first initiative was Sand Box in Phuket, which then expanded to Samui and Krabi. After seeing the initial success, the Government has now introduced the Test & Go System. This allows both business and tourist travelers to be tested for Covid upon arrival.





They are quarantined for 24 hours and if the result of their test is negative, can then travel freely wherever they want. The Thai government is also looking to change the status of Covid-19 from “pandemic” to “endemic”, in the near future, making it just like influenza or dengue fever.

When it comes to our company's public relations advertising business, we are also heavily impacted by the Covid-19 outbreak just like every other business. However, by responding in a timely and effective manner, we have been able to mitigate the impact. With advertising and PR budgets decreasing, and with competition becoming more intense, our concentration has been focused on two key areas, our people and our service. Advertising is a “people” business so retaining quality staff resources has been our focus. Also, in these difficult pandemic times, our customers expect much more, so providing outstanding service is paramount. As well we have managed to cut operating costs. Thanks to all of these efforts the companies in the group achieved a net profit of approximately 27 million baht, which was considerably more than the previous year. The Board of Directors has decided to combine some of the retained earnings that the company has accumulated over the past 40 years together with the profits of this year, resulting in a dividend for the year 2021 of 60 satang per share, which should satisfy Shareholders in this shrinking economy.

The construction of Ruamchairak Hospital is continuing well although we have suffered some slight delays due to the government ordering the temporary closure of construction workers' camps due to a severe Covid-19 outbreak. Although construction was halted for a time, we expect that Ruamchairak Hospital will be able to open in the third quarter of this current 2022 year. The advertising and public relations business in 2022 should benefit from the opening of the country to accept tourists. As well, we expect an upturn in Business and Investment. The GDP in 2022 is expected to grow by 2.5 - 4.0%. This mainly depends on the continued ability to control the epidemic. Other factors such as inflation in the prices of goods and services tend to be troubling, as well as the ongoing war between Russia and Ukraine.

However, we believe our company is heading in the right direction and expect it to perform well and continue to provide value to our Shareholders over the long term.

Prakit Apisanthanasarak

Chairman of the Board of Directors

# Audit Committee

## Report

---

The Audit Committee was appointed by the Board of Directors. The Audit Committee is comprised of Dr. Pichai Charnsupharindr, Chairman; and Mr. Sommanous Na Bangchang, Miss Sukanya Nitungkorn 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:


### Review of financial reports

The Audit Committee reviewed the 2021 quarter, 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. The Executives participated in every meeting.

### Review of internal control

The Audit Committee reviewed the internal control and internal audit of the Company and reported the result in the Audit Committee meeting every quarter. The committee 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 continuously improving its internal control. The Board of Directors considered and approved the hiring of the internal auditor firm for 2022.

### **Review of corporate governance**

The Audit Committee monitored and enforced compliance with the Company's regulations, ethics, and corporate governance, and announced the regulations and ethics to all employees. The Committee reported the compliance results to the Board of Directors quarterly. In case of any violations, the Committee would discuss with the Board to find solutions to put into practice. In 2021, no violation of the regulations, ethics and corporate governance were found.

### **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 presented preventive measures that could be applied.

### **Appointment of the external auditor**

The Audit Committee considered, selected and proposed to appoint the Company's auditor, an individual with independence and qualifications in accordance with regulations of the Security Exchange of Thailand, including proposing the auditor's compensation. The Audit committee assigned the auditor to participate in the Audit Committee meeting at least once a year.

According to the all the reviews, the Audit Committee believes that The Company's Board of Directors, Executives and Employees have an excellence effort to deliver great performance results. The Company has been improving and adjusting its working procedures and systems to enhance the internal control system more adequately every year. It will lead the Company to sustainable growth and benefit itself and all stakeholders.



Pichai Charnsupharindr

Chairman of Audit Committee



# Table of Contents

<b>Part 1 Business Operations and Performance</b>	
Business Overview	1
Significant Changes and Developments	7
Revenue Structure	8
Product Type	9
Company Shareholding Structure	16
Capital and Shareholders Information	18
Risk Factor	20
Corporate Sustainable Development	22
Management Discussion and Analysis on the Operating results and Financial Status	34
General and Other Important Information	39
Detail of Directors and Executive Management	43
Report of Number of Shares Held by Directors and Executives	53
Details of Subsidiaries Director	54
<b>Part 2 Corporate Governance</b>	
Corporate Governance Structure Chart	56
Corporate Governance Policy	57
Management Structure	61
Report on Performance in Corporate Governance	67
Anti-Corruption	70
Internal Control	71
Related Transaction	72
<b>Part 3 Financial Statements</b>	77
<b>Part 4 Certification of Correct Data</b>	143








Part 1

# Business Operations and Performance

The Company grows up in advertising industry  
together with the stakeholders  
and thrive to develop our people as our commitment



## Prakit Holdings PLC.

and the group companies provide advertising and public relations services in various fields with expertise and experience in advertising industry since 1978. We provide full range of advertising and public relations services, be it planning advertising media strategies, producing advertisements, organizing events and public relations.

With more than 45 years of experience and proud achievements, we have driven the organization to the forefront of the advertising industry, and we will never stop developing and creating valuable contributions to society.





## Vision

# Growing Together

The Company grows 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 responsibility for stakeholders and society.

Each year, the Board of Directors ensures that the Company's goals and strategies are followed, as well as reviews the vision, mission, and strategy of the Company to see if they are appropriate. In 2021, the Board of Directors has assigned the Management to report on the Company's performance whether it achieving goals or needing adjustments at each board meeting.

the Board of Directors approves strategies and goals for each year for the management to implement.

## Strategy and Goal

Nowadays, technology is involved in everyday life. People's behaviors and lifestyles have changed. Challenges and new opportunities happen all the time.

Having confidence in its potential to compete in the changing advertising business, the Company establishes strategies and business goals aimed at creating learning system, developing the employees' potential creating new innovations in the production process. We encourage our employees to have positive attitude and inspiration to create and deliver good and valuable work. Our work will create value and economic growth to our Company, our clients and our partners.

We believe our works created by positive and social-responsible mindset will create value and positive impact that leads to a good advertising culture in our society and highest benefit to the consumers.

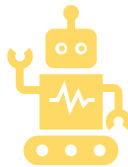


# Business Strategy



## Enhance Employee Potential

For employees to have the potential to create and deliver quality work, the company plans human resource management to create learning system for new technology, understanding about the Company culture, good working environment and knowledge about social responsibility and sustainable development.



## Create New Innovation

To improve the production process of up-to-date and creative advertising, the company plans to invest and use new technologies and allocate the budget to purchase the necessary technology.



## Thrive for Business Growth

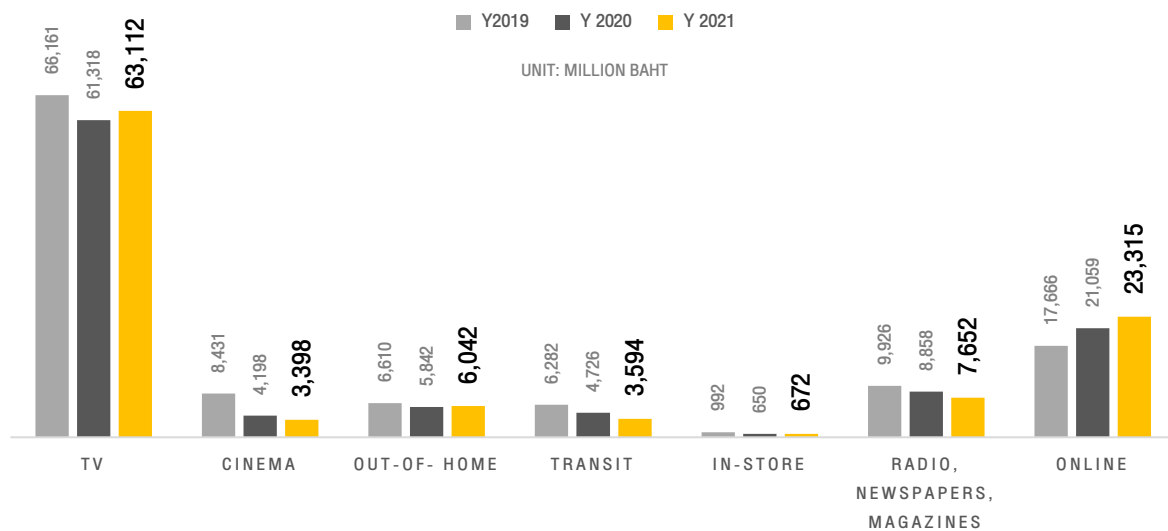
To find new sources of income and advertising business opportunities, the Company plans to drive the digital transformation focusing on creating new-generation workforce, together with current employees' development. We aim to create more staff with specialty in online advertising strategy and business development unit for the Digital Department to create quality and quick online advertising to match with the change in online advertising industry and the consumers' behavior.



# Advertising Business Overview

The situation of the Covid-19 outbreaks and government measures have caused consumer behavior to change. Over the past 2 years, consumers spent more time at home due to work-from-home policy instead of commuting to work and the closure of department stores. Shopping has shifted to more online channels.

## ADVERTISING MEDIA SPENDING THAILAND



### GROWTH RATE (%)

TV	▲ 2.9
CINEMA	▼ 19.1
OUT-OF-HOME	▲ 3.4
TRANSIT	▼ 24.0
IN-STORE	▲ 3.4
RADIO, NEWSPAPER, MAGAZINE	▼ 13.6
ONLINE	▲ 10.7

Reference: The Advertising Association of Thailand, 2021

Online media in 2019 before the Covid-19 outbreak, was valued at 17,666 million baht, increasing to 21,059 million baht in 2020 and 23,315 million baht in 2021. Contrarily, advertising media in train stations (Transit) or in cinemas have dropped dramatically.

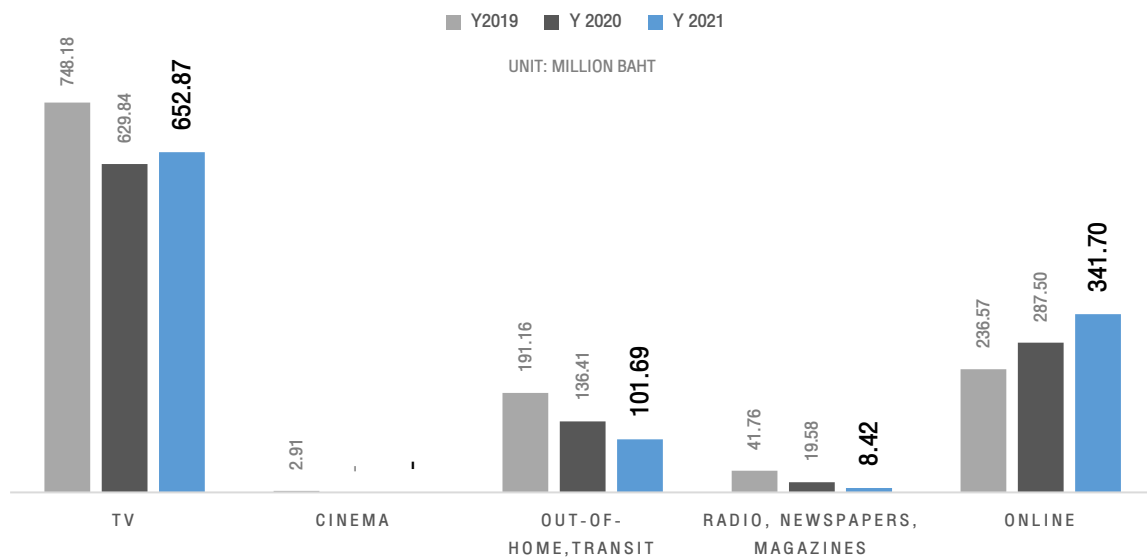
For 2022, advertising media is expected to grow around 4.8%. Online media continues to grow. Advertising media in transit stations or in movie theaters are expected to increase as well as restrictions ease and consumers adapt to the New Normal lifestyle.





## ADVERTISING MEDIA SPENDING

PRAKIT GROUP



### GROWTH RATE (%)

TV	▲ 3.66
CINEMA	-
OUT-OF-HOME, TRANSIT	▼ 25.45
RADIO, NEWSPAPER, MAGAZINE	▼ 57.00
ONLINE	▲ 18.85

For the Prakit Group, online advertising also has the highest growth rate with a 19% increase from year 2020 and is expected to reach a similar rate as the overall advertising media spending in 2022.

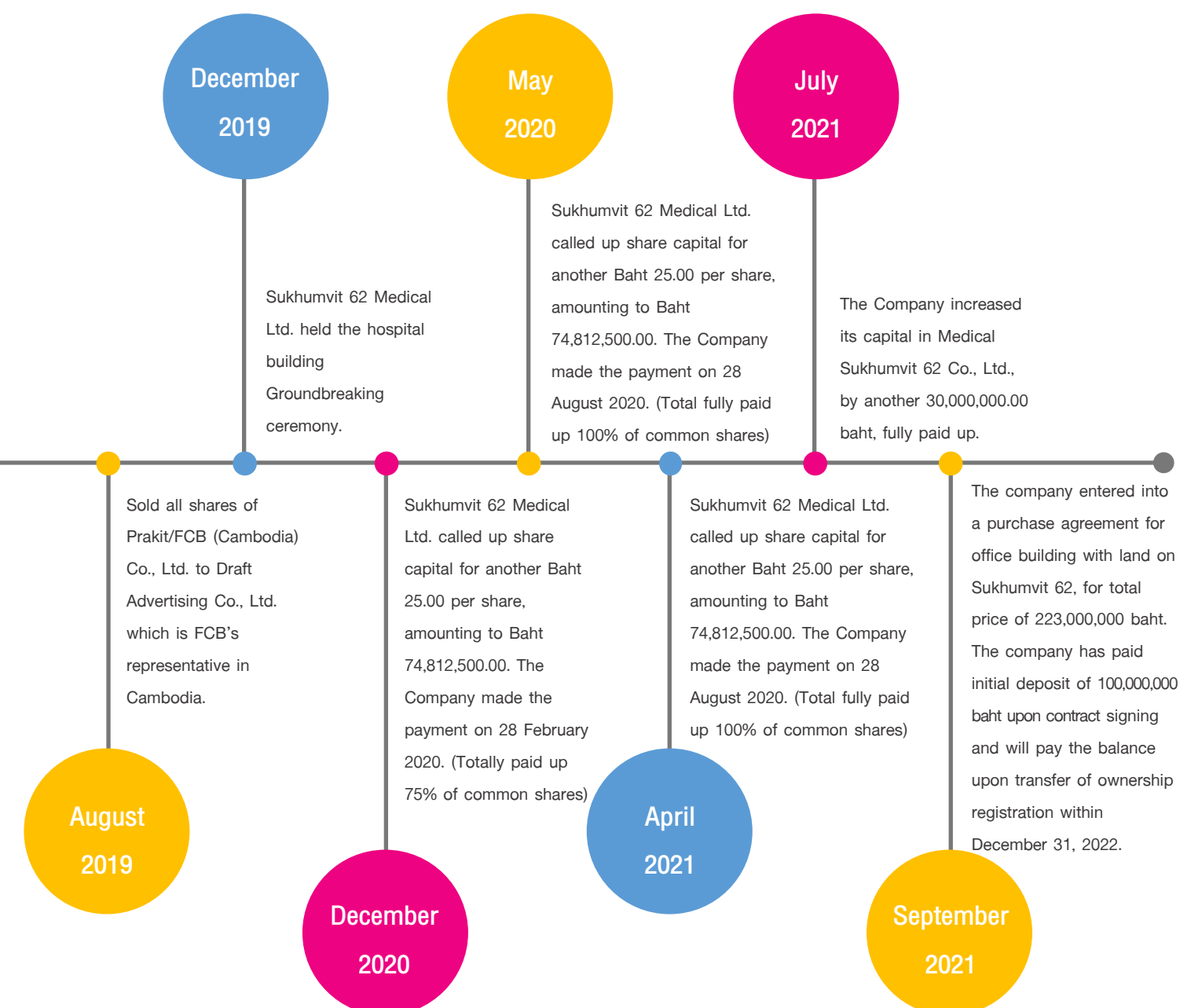
## Significant Changes and Developments

In 1978, the Company started off (registered) as an advertising company under the name “Prakit & Associates Company Limited” with Mr. Prakrit Apisarnthanarak as the founder. Afterward, in 1986, the Company entered into a joint-venture investment with Foote, Cone & Belding International Corp. (FCB) which at that time was one of the top three advertising agencies in the USA, thus setting up a new company called “Prakit and FCB Company Limited”. We became a Public Company in 1992 and were listed on the Stock Exchange of Thailand (SET) in 1993.

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

1. Investment in subsidiaries, associated and other companies.
2. Providing management service, consultancy for accounting, finance and other services for a 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.



## Revenue Structure

Revenue structure of Company and subsidiaries-to financial budget (of) from 2019-2021

Unit: Thousand baht

Product line	Operated by	% of share	2021 Revenue	%	2020 Revenue	%	2019 Revenue	%
Revenue from media planning and buying brokerage	<ul style="list-style-type: none"> <li>Prakit Holdings Plc..</li> <li>Prakit Advertising Co., Ltd</li> <li>Subsidiaries</li> </ul>	- 99.99	94,569 40,914 624 <b>136,107</b>	28.42 12.30 0.19 <b>40.91</b>	85,096 37,311 2,622 <b>125,029</b>	27.42 12.03 0.84 <b>40.29</b>	103,570 47,216 2,935 <b>153,721</b>	26.65 12.15 0.76 <b>39.56</b>
Revenue from product advertisement	<ul style="list-style-type: none"> <li>Prakit Holdings Plc..</li> <li>Prakit Advertising Co., Ltd</li> <li>Subsidiaries</li> </ul>	- 99.99	19,406 120,307 1,958 <b>141,671</b>	5.83 36.16 0.59 <b>42.58</b>	34,078 89,846 15,148 <b>139,072</b>	10.98 28.96 4.88 <b>44.82</b>	28,392 126,000 17,288 <b>171,680</b>	7.31 32.42 4.45 <b>44.18</b>
Revenue from public Relation and Direct Advertising	<ul style="list-style-type: none"> <li>Marketing Drive Worldwide (Thailand) Co., Ltd.</li> </ul>	99.96	25,766 <b>25,766</b>	7.74 <b>7.74</b>	19,357 <b>19,357</b>	6.24 <b>6.24</b>	22,021 <b>22,021</b>	5.66 <b>5.66</b>
Revenue from other investments	<ul style="list-style-type: none"> <li>Prakit Holdings Plc.</li> <li>Prakit Advertising Co., Ltd</li> <li>Subsidiaries</li> </ul>	- 99.99	17,348 6,431 5,409 <b>29,188</b>	5.21 1.93 1.63 <b>8.77</b>	18,919 7,854 74 <b>26,847</b>	6.10 2.53 0.02 <b>8.65</b>	31,040 6,999 3,146 <b>41,185</b>	7.99 1.80 0.81 <b>10.60</b>
<b>Total</b>			<b>388,607</b>	<b>100.00</b>	<b>332,732</b>	<b>100.00</b>	<b>310,305</b>	<b>100.00</b>



## Product Types

### Providing media strategic planning and operating as media buying agents

Media strategic planning and media buying is the responsibility of 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 media owners like various digital television channels, TV channels, program producers, print medium, sign board or billboard, online media and others for buying. Company charges for planning and brokerage (Agency commission) for their services.

### Producing all types of advertising

Production of all types of advertising: TV commercials, commercials on digital tv station and online media, Web TV, all printed materials, radio spots, video etc.

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

#### 1. Account Management Department

1. The account management staff are the company's representative in contacting the customers in order to understand their objectives and needs in creating an advertisement and summarize the results obtained from distributing advertising materials and public relations to customers. They also follow up the result of the advertising including the service fee from the customer.

#### 2. Strategic Planning Department

The insight, target consumer's behavior analysis and all the factors that affected their decision procedure will be utilized for the strategic and marketing communication plans. 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 a clever and tangible piece of work.

#### 3. Creative Department

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

#### 4. Production Department

Production department produces the various types of advertising concepts created by the creative department. As a representative of the clients, they liaise with our business partners who produce the advertising materials such as TV commercials and print work.



## Producing all types of advertising

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

### 1. Production of print material & Billboard

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

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.


The issue in this process is the capacity of the people. To minimize the potential problems that can occur with the production of printed advertising materials, it is vital to have capable personnel who have a thorough knowledge of computer graphics and who keep abreast of the various special techniques which develop continuously and rapidly with today's advancing technology.

### 2. Production of a Digital TV commercial

Although a digital TV commercial is only 60, 30 or 15 seconds in length, it takes the least one month for the production stage. This stage needs close cooperation between Creative and production teams, all of whom must profoundly understand the core of the work and all details before the production get started. Any mistake will cost the company.



Create an  
advertisement  
that effectively  
impact customers



#### Production steps

1. Get to know the structure and story of the board thoroughly 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 so that Client can acknowledge and approve.
4. Shooting of commercial to cover all details as per agreed with client. The production team may conduct further shooting in addition to make the commercial more interesting. However, the main story must not be adapted.
5. Post production is the step when the shot materials are edited to tell story, add special techniques/effects and sound to complete the commercial before it goes to air.

Advertising agency will make sure that client approves 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 of work and high budget, the Company must employ highly capable persons in the field who have experience to select the right production company, who can take control in every step to avoid error. Most importantly they must control the budget and ensure the production time frame is strictly followed.

### 3. Production of a radio spot

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

#### Production steps

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.


The challenge 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.

### 4. Production of a digital advertisement

Production of a digital advertisement is an online media management function, requiring all involved parties to work together in a synergistic way.

#### Strategic Planning

The Marketing Team, Account Management and the Strategic Planners work together to find unique strengths or points of difference in marketing communication. This includes education about the target audience in terms of their thoughts, needs and behaviors when using online channels. They bring all the information together to develop the most powerful Communication concept.



**For Praktik,  
online advertising  
currently has the  
highest growth rate**

### **Creating the Work**

Strategic planners present the communication strategies to the creators. They are the ones who develop content and the presentation methods that are suitable for each type of product to communicate and attract attention from consumers. These can effectively generate feedback and can include text, images, video games, and many more.

### **Creating the Work**

Strategic planners present the communication strategies to the creators. They are the ones who develop content and the presentation methods that are suitable for each type of product to communicate and attract attention from consumers. These can effectively generate feedback and can include text, images, video games, and many 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.

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.

The problem and obstacle in the production of online advertising media is that each piece of media will be used for a short period of time. Sometimes it's just 1 -2 weeks, but there will be many versions and releases in succession. Therefore, the production must use speed and accuracy. Due to the popularity of online advertising media, each platform is changing rapidly. If the media production is delayed, it will not achieve the expected maximum results.

## Non-handed over works

- None -

## Market and Competition

The Company provides media strategic planning and is a medium sized media buying agent in the industry. The main medium used is digital TV because of the price rate. Company must have solid connection with business partners in order to get competitive ad rates 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 the advertising industry largely depends on the national economy. If the economy is good, budget allocation from client is high hence the advertising business will grow. On the contrary, if and when economy struggles, client will reduce advertising budgets which will badly impact the advertising business. For the utmost effectiveness, Company has to propose a 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 brings success to clients is a factor which keeps them with us. The Company maintains solid relationships to keep current clients as well as expanding our base through acquisition of new clients.

In addition, many small advertising companies have entered the market in the past several years. This has resulted in intense price competition in the market as these new, smaller companies have lower operating costs than the medium and large companies.

Due to the outbreak of the Covid-19 in the past 2 years, the impact on the advertising business is quite severe. Clients are not confident in the country's economy. The purchasing power of consumers is declining and the consumer behavior has changed. The company and the clients have to adjust the new advertising format according to the economic situation and consumer behavior at each period. Digital TV or outdoor media purchases have shifted to online advertising as consumers spend more at home or are working from home instead of commuting to office locations. Consumer behavior is increasingly shifting to online shopping, forcing companies to closely monitor the movements of various platforms and to develop online personnel to keep up with the changing world trends. However, the company is a medium-sized business that has always adapted to the changes in the advertising business and therefore does not face much of this problem.

Many advertising companies in the market that are unable to keep up with the movements and changes of various platforms in online media have closed down.

The trend of the advertising business in the future will be to develop more and more towards online media. The new generation will no longer be the target audience of digital television advertising media. Instead, they will pay attention to online media and they have no loyalty to any platform. Their interests will keep changing and there will be new investors coming to develop or create new platforms as well.



The following is how to win new clients:

1. Acquiring through pitching

The company is 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 our work and personal relationship of the management.

After over 20 years in the business - with a number of widely recognized works that received prizes from many advertising contests from various forums – with the ingenuity of the Company's Directors and executive management who have 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 a presentation of credential and portfolio. The Company will start to work on details for further steps if clients show interest.

4. Client Referrals

Client service staff build good relationships between the company and the clients. When clients are satisfied with the services of the company, they will recommend us to other companies looking for an advertising agency.

## Assets Used for Business

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

The company and companies in the group engage in service business. The company's personnel are the producers of various works. No production assets.

#### Land and building

The Company is located at 88 Soi Sukhumvit 62, 3<sup>rd</sup> intersection, Phra Khanong Tai, Phra Khanong, Bangkok. This land and building belong to the Company.

Value of land and building on land at December 31, 2020 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>89,547,465.73</u>
Net book Value	<u>109,209,765.02</u>

The company has utilised the land and office buildings as collateral for loans to subsidiaries and joint venture companies as follows:

- Bank overdrafts in the amount of 30 million baht to Praktik Advertising Company Limited, a subsidiary.
- Promissory note limit, tender guarantee limit and contract guarantee limit for use in the company's business Bangkok Writer and Partners Co., Ltd., which is a joint venture, in the amount of 80 million baht.

### Land

The Company has 2 plots of land located at Sukhumvit Soi 50 totaling 1 rai 2 ngan 29 square wah. This land has been leased out with a 28-year contract of lease started from May 9, 2001 until September, 2029.

### Valuation of Assets

The 2 plots of vacant land as detailed above, are appraised at a fair value of approximately 389.73 million baht. (The consolidated financial statements as at December 31, 2021 disclose the fair value of these two plots of land in Note 13 to the financial statements.)

### 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.

### Legal Cases

A subsidiary company took one of their clients to court in a 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.



## Company Shareholding Structure

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 arranges the types of business to fit with the expertise of human resources 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 require experienced persons. 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 smoothly, 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 shows and product sampling. It is necessary that we had a specialist team who could get things done within the time limits and workaround to bring success to the activities.

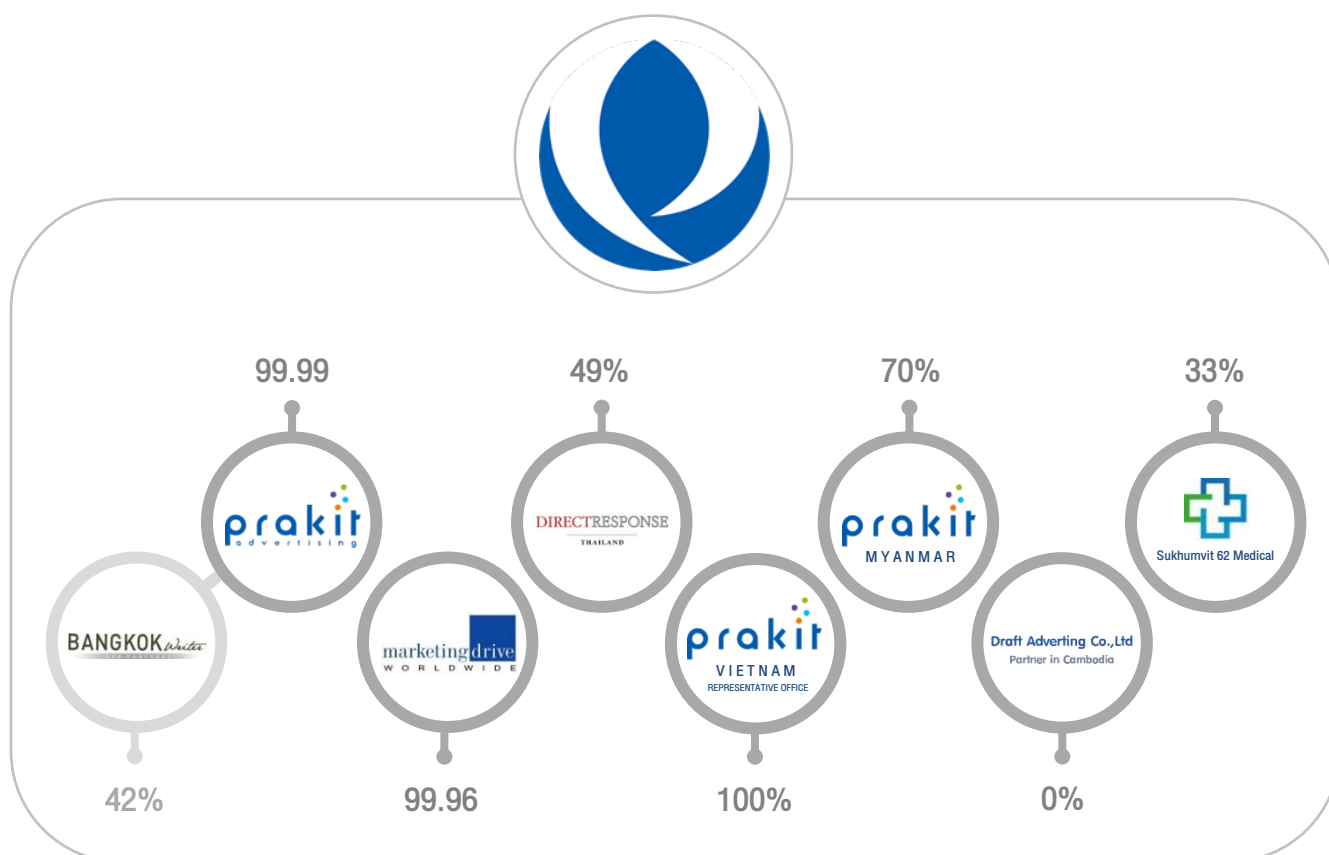
4. Public Relation - The nature of this business is to get across the activities and development of clients to consumers. Public Relations is a very effective channel for the job. The Company must have good connection with PR persons of all media for such activities as press conference, press release, etc.
5. 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 Advertising Company Limited (Myanmar)  
Company's share 70%
4. Direct Response Recruitment (Thailand) Co., Ltd.  
Company's share 49%
5. Sukhumvit 62 Medical Ltd.  
Company's share 33%

As well, Prakit Advertising Limited which is the subsidiary of the Company holds 42% share of Bangkok Writer and Partners Limited.

## Shareholding Structure



### Note

1. Direct Response Recruitment (Thailand) Co., Ltd. of which 51% shares are held by:

Miss Pavinee Apisanthanarak	20.40%
Prakit and Associates Co., Ltd.	30.00%
Other 6 Thai shareholders	0.60%

2. Draft Advertising Co., Ltd. has 4 Thai Shareholders. 2 major shareholders have total shares not exceeding 90%. They are not related parties of the Company. Other 2 Thai shareholders, the company directors, hold total shares not exceeding 10%, are:

Mr. Phisal Prahasdankura	5%
Mr. Apirak Apisanthanarak	5%

3. Prakit Advertising Limited (Myanmar) with 30% shares held by 1 Thai who is not a related party 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. The Extraordinary General Meeting of Shareholders No. 1/2021 on July 16, 2021 approved the capital increase of the Company from 956,250,000.00 baht to the registered capital 1,000,000,000.00 baht by adding additional capital 43,750,000.00 baht, resulting in an increase in the shareholding proportion of Prakit Holdings Public Company Limited from 31.37 percent to 33.00 percent.

The other 67% of shares are held by:

Saha-Union Plc.	40.00%
Mr. Prakit Apisanthanarak & family	3.30%
Mr. Apirak Apisanthanarak	0.50%
Mr. Prapand Apisanthanarak	0.10%
Mr. Phisal Prahasdankura	0.10%
Mr. Preecha Chaochotechuang	0.10%
1 Thai company and 17 Thais are not related parties of the Company	22.90%

\* Mr.Prakit Apisanthanarak is Company Chairman.

\*\* Dr.Prapand Apisanthanarak is Mr.Prakit Apisanthanarak's brother.

\*\*\* Mr. Apirak Apisanthanarak is Managing Director of the Company.

\*\*\*\* Mr. Phisal Prahasdankura and Mr. Preecha Chaochotechuang are Company directors.

## Capital and Shareholders Information

### Issued and fully paid-up capital

There is authorized share capital of 94,438,800 baht with ordinary shares of 94,438,800 shares 1-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 October 4, 2021 are as follow:

Major Shareholders		Amount held	Percentage
1. Prakrit and Associates Co., Ltd.**		15,092,160	24.97
2. Apisarnthanarak Family			
Mr. Prakrit	Apisarnthanarak	6,029,890	9.97
Ms. Pavinee	Apisarnthanarak	2,918,953	4.83
Mr. Anucha	Apisarnthanarak	2,854,642	4.72
Mr. Apirak	Apisarnthanarak	3,168,902	5.24
3. Promart International Company Limited		1,606,000	2.66
4. Mr. Wichai	Jiracharoenkijkul	1,496,590	2.48
5. Thai NVDR Company Limited		1,482,490	2.45
6. MR. Pridiyathorn Devakula		1,100,000	1.82
7. Mr. Chertsak	Chotmongkolsap	905,300	1.50
8. Ms. Wichuda	Grairithikul	637,450	1.05
9. Mr. Prapoj	Harnjirakarn	616,000	1.02
10. Ms. Nopsarun	Pongpairoj	550,000	0.91
Total		38,458,377	63.62

Note : \*\* Prakrit 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 dividends 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	2020	2019	2018	2017	2016
Cash Dividend payment / share	0.40	0.60	0.90	0.80	0.10
Stock Dividend	-	-	-	-	10.1
% of Net Profit	109.38	67.50	73.12	83.30	N/A

### Remark

In year 2016, 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.



## Risk Factor

### Business Risk

#### Loss of principal clients

Under the current competitive situation, the Company and its group may lose all or part of the earning from main clients which would significantly affect the company's revenue. As such, we try to get the opportunity to present ourselves to prospects. Employee development must be carried simultaneously to improve the quality of our creative work and services which will lead to winning new clients.

#### The increase of digital TV media rates

Due to the fact that the advertising rates on digital television stations may increase, clients may reduce their budgets in this medium and consider using other advertising media instead. The company and the group must plan the use of advertising media in balance with the clients' media budget each year, so that the clients continue to communicate effectively to their target groups.

#### The increase of production cost for advertising materials

The production of advertising media used on digital television stations needs good quality, professional standard. This requires a relatively high production budget and careful management as production costs increase every year. Another factor is the changing behavior of consumers who are becoming more interested in online media. The production costs are usually cheaper, but still need to reflect the quality of the client's offering. The company has to carefully identify the right partners in online advertising media production to meet their needs.

#### The decrease of agency commission and service fee rates

Currently, the competition in the advertising industry is high which leads to cuts in agency rates and service fees. Inevitably, the Company has to cut down the afore-mentioned rate in order to maintain the existing clients and to acquire new ones. We will put every effort into earning new business and revenue to make up for what decreased and set policy to control costs and expenses.

#### The power of online media

Consumers find online media interesting, such as, FACEBOOK, INSTAGRAM, LINE, etc. New platforms are emerging continuously. Consequently, online advertising is expanding rapidly. We have to adjust to match consumer behavior changes or else media usage would not meet the objective for effectiveness as planned.

### Risk Management

Being aware of and value risk management, we consistently identify, review, monitor, and prevent the risks.



## Legal Risk

At the moment, law enforcement on the prohibition of advertising on cigarette and alcoholic products is in force. The enforcement will be applied to other products sometime in the future. There are also certain types of products whose advertising messages must be approved by the Food and Drug Administration (FDA), such as cosmetics or drugs, etc. Our group of companies has a policy to ensure that clients strictly comply with the laws and regulations issued by the relevant government organizations.

## Personnel Risk

Human resource is a key factor in the 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 a policy to develop staff with on-going training, arrange activities which strengthen relationship between the management and staff. Last but not least is the provident fund scheme, zero-interest loan and other incentives. In addition, the company has also organized an annual Creative Contest for students, in order to attract talented people whom we can employ and train to ensure our future talent pool.

## Corruption Risk

To prevent corruption in the organization, the Board assigns the internal audit to assess the corruption risk, effect and possibility with a monthly review. The Board also enforces an anti-corruption policy and code of conduct in order to prevent any corruption in our business.

The Board of Directors defines the code of conduct to comply with anti-corruption policy as follows:

1. Directors, Executives and Employees must report vested interest to prevent conflict of interest.
2. The Company shall procure and define an executive representative to give presentation on occasions.
3. Set a communication channel for whistle blowing. Inform the employees about the report channel and set the reporter protection measure.
4. Assign the Audit Committee to assess corruption risk, consider the result of the whistle-blowing and report to the Board of Directors.
5. Establish "Business Ethics" and inform all employees to understand the importance of complying to the Company's regulation.

## Business Operating Risk

Unexpected events or emergencies can suddenly happen at any time, such as natural disasters and epidemics. Every event has an impact on business and the industry as a whole, causing the economy to slow down. There is also damage from the company's information system, or disasters caused by the environment around the office that directly affects the company's business operations.

The Covid-19 pandemic that has occurred since December 2019 has severely affected the business environment around the world. The Company's management recognizes the importance of this risk. To minimize the potential impact, the Company has developed a Business Continuity Plan (BCP) and has continuously monitored the situation to keep the business going.

# Corporate Sustainable Development

## Sustainable Development Policy Goal

Prakit's business objective is to grow together with our clients. However, we understand it is impossible for the business to rely on its economic growth. Social and environmental aspects need to be included in the picture. Any business operation has direct and indirect impacts on the society. Prakit Group therefore sets a goal to conduct business with regard to all stakeholders for our sustainable growth.

In 2021, the Corporate Social Responsibility and Sustainability Committee proposed to the Board of Directors to review the corporate sustainable development guidelines and policy to be appropriate to the current situation, future business opportunity trends and various internal and external factors. Prakit Group, as a communication business operator that has effects mainly on people and society, has established a sustainability management policy that matches with our direction and strategy focusing mainly on social issues and good corporate governance. At the same time, the environment issue is managed throughout the business process.

Our sustainability policy and goals aim to create a learning system, develop employee's potential and create new innovations in the production process to produce and deliver quality work to the clients. We believe that the work created from a good attitude and social-responsible mindset will be valuable work, which has positive impact to create a better media culture in Thai society and deliver highest benefits to the consumers.



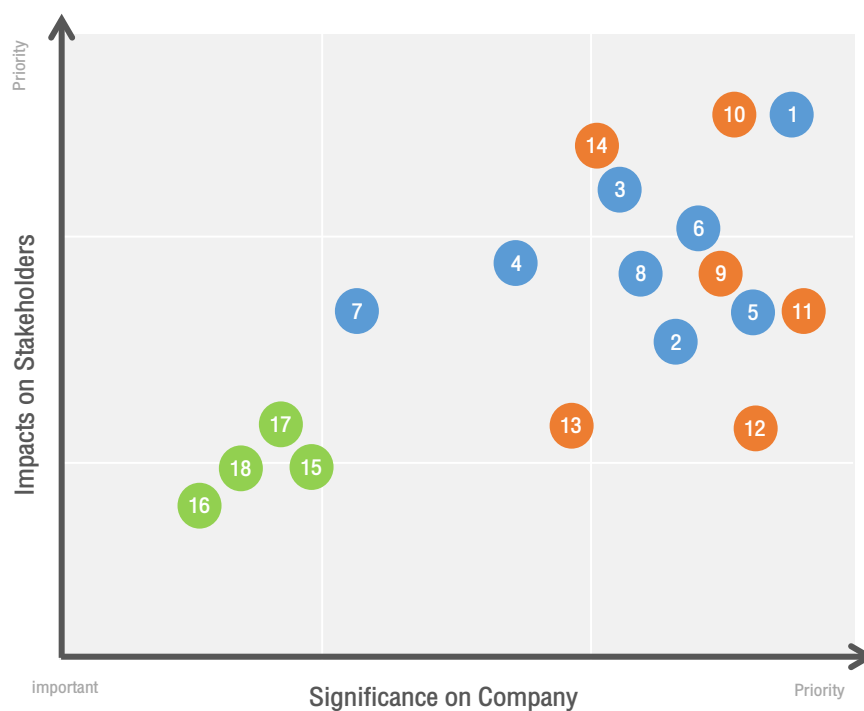
Create & Drive

Positive Impact



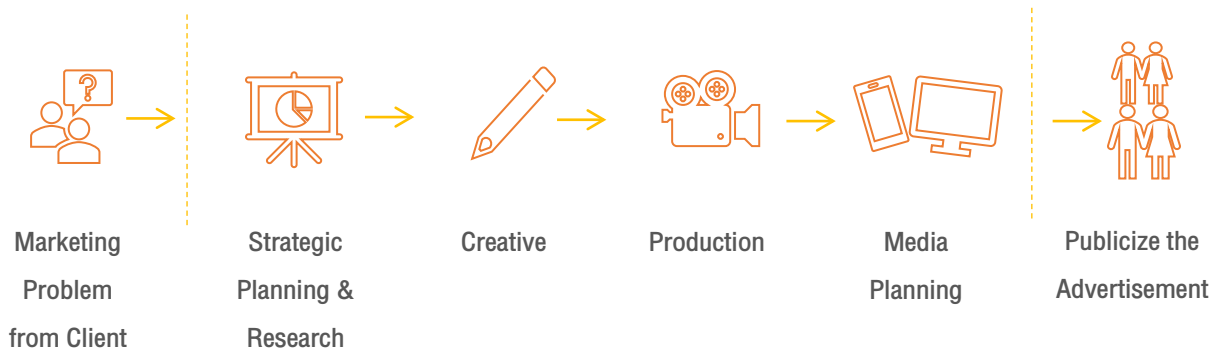
## Sustainability Topics

Analyzing and assessing the impact of sustainability topics towards our stakeholders and the importance for the company, we summarize the significant topics that cover economic, social and environmental aspects. These topics are used to design sustainable strategy which is consistent with the Company's vision and goal.



Economy	Society	Environment
<ul style="list-style-type: none"> <li>1. Quality Work &amp; Services</li> <li>2. Business Connection</li> <li>3. Value Creation</li> <li>4. Sustainable Consumption</li> <li>5. Dynamic Business Opportunity</li> <li>6. Partnership &amp; Collaboration</li> <li>7. Circular Economy</li> <li>8. Up-to-date Technology</li> </ul>	<ul style="list-style-type: none"> <li>9. Data Privacy</li> <li>10. Social Responsibility</li> <li>11. Knowledge &amp; Info Accessibility</li> <li>12. Training &amp; Development</li> <li>13. Talent and Retention</li> <li>14. Rules &amp; Regulations</li> </ul>	<ul style="list-style-type: none"> <li>15. Waste Management</li> <li>16. Water Management</li> <li>17. Energy Management</li> <li>18. Resource Usage</li> </ul>

## Our Value chain & Stakeholders Management



### Our Value Chain

#### Main Activity

1. **Strategic Planning and Research** Receive briefings from clients and analyze target consumers to plan suitable marketing communication strategies for customers to achieve maximum results.
2. **Creative** Apply the information from strategic planning and research to create advertising ideas to present to clients, based on the correct information and not to exaggerate or mislead about the properties of the product.
3. **Production** Turn advertising ideas into advertisements in various forms such as advertising films, print work, recordings, and posters. If collaboration is needed, then utilize fair practices when hiring production partners
4. **Media Planning** plan the broadcast schedule of finished advertising material to the public through various channels such as television, radio, billboards, print media. including online platforms, by delivering the work and disseminating it in time as agreed with the clients.

#### Supporting Activity

1. **Account Management** Coordinate with clients to deliver the work that meets the needs of the clients and achieve the goals, creating satisfactory results for the clients.
2. **Procurement** Purchase equipment and hire producers such as studios and various media related by comparing prices and going through a transparent, verifiable process for fairness to business partners.
3. **Tech & Knowledge Management** Learn new technologies that have a major impact on advertising production, focusing on enhancing skills and sharing knowledge in the value chain between clients, companies and partners.
4. **Human Management** Apart from promoting learning and developing employees' skills, we also encourage employees to have a positive attitude and inspiration. We take care of employees for their well-being, create a positive drive for employees to create quality work and valuable results to the public.

## Our Stakeholders in Value Chain

Stakeholders	Stakeholders' Expectation	The Company's Response to Expectation
Employee	Fair compensation and treatment, self-development and pleasant work environment	Provide fair employment, skill development variety of welfare schemes beyond legal definition, which are equally accessible to all employees.
Shareholder	Satisfactory operating profit of the company	Achieve satisfying operating results and sustainability for the highest benefit of all stakeholders.
Client	Advertising that allows customers to achieve their business goals and efficient, good service	Create awareness of consumers for clients' products. Take care of the customer's advertising and PR plans to meet the goals and create added value.
Business Partner	Fair treatment in accordance with the business agreement	Provide opportunities for partners to submit proposals and have a transparent supplier selection process. Treat business partners fairly and develop knowledge together
Consumer	Advertising media that provides knowledge and facts about various products and services accurately	Generate Clients' product's information to customers with accuracy so that the consumers can choose the best product and service.
Society	Be an organization with ethics and create good media for the society	Run projects that support and create values to the society. We create a culture that helps our employees to be responsible to their society. We also try our best to limit the impact and pollution from our operation on the community.



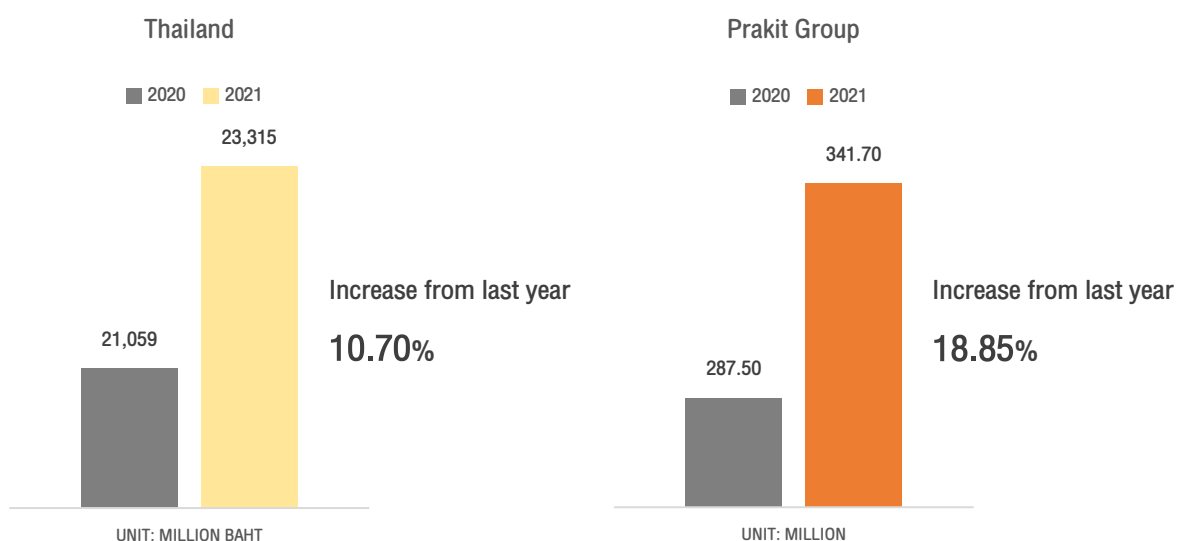
Aim to create valuable work and build a good network with both clients and other partners for economic growth that will generate profits for shareholders, clients and trading partners, as well as society as a whole.

## Activity for the Economy

### Perform with Potentials

The company has an efficient management plan and manage risk control. We have adapted to keep up with the changing trend of the rapidly changing advertising industry, especially the consumer behavior that has changed to use the internet more. We also develop a digitalized organization plan to be ready to accommodate changes and customer needs, in order for the company to be able to effectively compete in the advertising business.

In 2021, Prakti Group has a continuous growth rate of Internet advertising media. Internet advertising media distribution rate increased 18.85% from 2020, higher than the 10.70% growth rate of Internet advertising media in Thailand.



### Deliver Quality Work

To comply with the vision and mission, every piece of our work is produced with the intention to gain maximum benefit to all of our stakeholders. Our work and service will create more access to our customer's product, make their brand more well-known. It creates benefits to our customer and choices to the consumers which will positively affect the market and economy.

The Company conducts a survey and collects client's opinions on the work and service every year. Both the Company and the customer evaluate each other's performance for improvement. The following graph shows the 2021's evaluation results on client's satisfaction.



Moreover, as a connection between product owners and consumers, we aim to help the consumer choose wisely. Our advertisement provides accurate information about the product and services in order to allow the consumer to choose what they think is the best.

### Complaint on exaggerated advertisement

2021

0 time





The company has announced a policy for the most efficient use of all kinds of resources, both energy reduction and recycling. We have provided knowledge to employees on environmental conservation and efficient use of resources and have published the full-version environmental policy on the company's website.

### Activity on Environment

Since the Company's product is service, the Company, focusing on results from its internal operation, conserves the environment. In 2021, we arranged the following activities.

#### Resource Utilization

The Company defines the policy of best utilization of resources, both reusing and recycling. The employees are educated about environment preservation and resource utilization via announcement boards around the office. The Company also encourage the following actions:

- Use the stairs instead of the elevator whenever possible
- Turn off the lights and air conditioner when an area is not in use.
- Save water by turning off taps.
- Reuse paper.
- Be economical with office stationery and use equipment carefully to prolong its usable life.
- Install solar cells on the office building rooftop.

The result of the policy and action shows a 9% decrease in electricity cost, decreased from 2020 at 12%, and management expense.

### Raise Public Minds

We continued “Proud of Your Cup” project. The campaign was to encourage the employees and vendors in our canteen to reduce the use of disposable plastic cups. 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 canteen. The vendors also stopped selling drinks in plastic cups. It helped the company reduce internal plastic waste.

In 2021, The Company continued “Pixstas” Project, a Facebook page to announce and provide knowledge about environment preservation and resource utilization. The messages were delivered in cartoons, pictures, and short articles. We hope that our employees and people who see the content would be aware and have public minds to help preserve the environment.



[www.facebook.com/pixstas/](https://www.facebook.com/pixstas/)

### Waste Management

Waste remains a major problem nationally and globally. The Company focuses on waste management in the workplace to help reduce work of staff who manage waste. In 2021, the Company established a waste segregation campaign, promoting the environmental projects so that the employees can acknowledge and comply. The evaluation goal was the employees' waste segregation participation rate at 80%. We encourage the employees to separate dry and wet waste before putting in separate garbage bins and also to separate recyclable PET bottles. After interviewing our cleaning department, the employee's cooperative rate was 89%, increased from 2021 at 86%.



Sustainability on

## Society

Strategy

Empower Human Capital to Create  
Sustainable Learning Culture

### Activity for Society

#### Employment

Detail	Number of Employee (person)	
	Male	Female
Full-time employee	84	141
Employee with physically challenged	0	1
<b>Total</b>	<b>84</b>	<b>142</b>

#### Provide Employee with Well-being

The Company's core business is service. Thus, employees are the Company's valuable asset who will receive fair employment and a 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 a Provident Fund. All employees have the right to join. According to our policy, the employees collect 5% of their salary and the Company adds 5%.

##### Group accident and life insurance

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

##### Welfare loan

The Company provides interest free loans 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 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. In 2021, we encouraged training for professional competency development. Our employees attended various training and seminars to enhance their potential. The Company has set an annual budget for training activities. This year, our employees attended 6 online trainings, or an average of 5 hours per year per person from the goal at average of 6 hours per year per person. The trainings were arranged by the Company's business partners.

### Create pleasant working environment

1. Providing hygienic canteen serving food and drinks at reasonable price for the employees' better quality of life and also to help with their living expense.
2. Providing transportation between the Company's office and public transport.
3. Providing recreation corners, such as table tennis, yoga class, etc.
4. Providing birthday gifts for staff.
5. Since the office has opened for a long time, the Company has been renovating the inside of office building since 2017 and will continue until all office renovation is complete. We want to provide our employees with a pleasant environment and more facilities such as new meeting rooms, computers, relax corners and beautiful scenery.

### Employee Bonding Activity

Company provides joint activities among employees and staff with Management to enhance better relationship within the organization. The result of the employee engagement and satisfaction assessment was 70 points (a full score of 100). In 2021, we arranged the following activities:

1. An annual Buddhist ritual in the Company in January to bless all employees.
2. Annual party during which the senior management will explain the Company's operation result of the previous year as well as the policy of the year to come. This has been annual event from the first year of Company's set up. In 2021, The company has provided food and beverage set-up outlets in the area in front of the office building for employees under the measures to prevent the spread of COVID-19.
3. Providing badminton court and football field to support joining activities among staff.
4. Organize other relationship building activities within the organization at least twice a year.

## Occupational Safety and Health

Valuing the employee's safety and health, the Company has the policy on this matter.

1. Keep the workplace sterile by cleaning the floors, push buttons, door handles and other risk points daily.
2. Hire security guard unit to monitor the office areas, including the parking lot, in order to protect the employees, their property and the Company's property.
3. Carry out office safety and hygiene inspection such as monthly elevator check-up, power transformer check-up, and pest control every 3 months. Clean the canteen and kitchen monthly.
4. Encourage all employees to be aware and help keep the working space clean for overall good hygiene and health.
5. Ensuring safety in the workplace by providing employees with key cards to enter and exit every floor of the office.

## Workplace Accident Case

2021

0 time

## New Normal

Due to the Covid-19 virus outbreak, it is still expected that we will have to live with this virus for a long time. The company therefore sets the following policies:

1. If the government declares the state of the epidemic poses a serious risk, the employees will be allowed to work from home to avoid being exposed to infection from traveling.
2. When the situation eases, the employees can come back working at the office. However, they must strictly comply with protection measures against COVID-19 such as social distancing, wearing a mask, measuring body temperature before entering the workplace and cleaning their hands often
3. To avoid exposing to the virus via meeting with clients or business partners, the meeting shall be arranged online. If it is necessary to work outside the office, the number of employees per unit must be limited to create social distance.
4. Establish procedures when employees or family members are infected with the Covid-19 virus to prevent the spread of the virus in the office.
5. Use communication channels between executives and employees to inform news and guidelines.

## Contribute to Society

### Create income to community

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.

## Support SMEs

Since 2015, the Company has continued “SME” project to share “advertising” knowledge with small business companies in need of advertising their products but without knowledge or with small budget. The following 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.

## Encourage the youth

- Carry out sharing knowledge project to Academies by management and staffs to share Creative advertising, Marketing communication, Advertising administration, Management communication, etc.
- Carry out a project called “Idea Excellence” that allows college students to show their ability by present their work in a contest. This project also discovers and gives opportunities to the new wave of advertising field, be it creative, client service, strategic planner and media planner. In 2021, 124 teams of students from 11 universities sent their work to our project. We had awards for the winners and also allowed the students who were interested to work with us.

## Operate with Good Governance

Committed to the principle of human rights, it is our policy that all advertisements must not project the image of abusing human rights, disdainful and intellectual property infringement.

The Company defines policies on good corporate governance and business ethics, and consistently announces and enforces the policy to all employees. We arrange the internal audit and control to ensure our transparent and fair business, creating value to all stakeholders.



## Management and Discussion and Analysis: MD&A

### Business Operation

In terms of operating results in 2021, the Group had total revenues from advertising activities of 303.55 million baht, a 7.09 percent increase from the total revenues of 283.46 million baht in 2020. The growth has been limited due to the new wave of Covid-19 that has occurred since the end of the year 2020. It has made customers less confident in the economic situation. Also, consumer behavior has changed as they work from home more. In order to reach consumers, our customers use their advertising budgets in online advertising media and delayed their spending in other major media. Some resumed distributing their advertising media in major media again in the fourth quarter, resulting in the Group's normal operating profit for the year 2021 totaling 22.85 million baht, close to the year 2020.

The Group had total assets of 1,206.77 million baht, total liabilities of 306.15 million baht and total shareholders' equity of 900.62 million baht. The group had liabilities at 25.37 percent of total assets and 33.99 percent of shareholders' equity. The Group did not incur either short-term or long-term loans, therefore there is no burden to repay loans and interest. In addition, the Company has invested in Sukhumvit 62 Medical Company Limited, a hospital business, as an opportunity to generate income in the future, which will supplement the revenues from the advertising business, which is the main source of income of the Group at present. Therefore, the long-term financial position of the Group is stable.

### Factors impacting future business operation

The epidemic situation of COVID-19 which has been spreading since the end of 2019 and is still prevalent, is expected to be with us for the long term. As a result, the behavior of consumers has changed, as they to adjust to a “new normal” in their daily lives.

Due to changes in consumer behavior, online advertising media has made a noticeable impact on consumers. It has become more and more prevalent with new platforms such as TIK TOK helping to support its growth. In 2021 Tik Tok platform had grown 300 times the size than when it started in 2019.

The group is aware of the rapid growth of this online advertising medium and has therefore adjusted the structure of its digital capabilities. By adding personnel for online strategy and other specific areas of online expertise, we are able to compete in this business resulting in stable growth of the company.



## Operating Results and Profitability

With reference to the modified Comprehensive Income Statement, the operating results of the company's group in the year 2021 are summarized as follows:

### Consolidates Comprehensive Income Statement

Unit: Million baht

Description	Prakit Group		
	Y2020	Y2019	Y2018
1. Revenues from rendering of services	167.44	158.43	193.70
2. Less cost of service	(139.86)	(127.68)	(154.92)
3. Income from service (net)	27.58	30.75	38.78
4. Commission Income	136.11	125.03	153.72
5. Total income from advertising activities	163.69	155.78	192.50
6. Management income	1.86	1.86	1.86
7. Interest income	1.15	2.12	4.88
8. Dividend income	5.86	6.21	7.99
9. Other income	20.28	16.66	26.45
10. Total income from other activities	29.18	26.85	41.18
11. Total income from recurring activities	192.87	182.63	233.68
12. Less selling expense	(67.74)	(67.36)	(72.06)
13. Less administrative expense	(90.65)	(86.23)	(97.59)
14. Profit from recurring activities-before tax	34.48	29.04	64.03
15. Income tax expense	(7.33)	(5.23)	(10.43)
16. Profit from recurring activities-after tax	27.15	23.81	53.60
17. Share of profit from associated companies and joint venture	(4.30)	(1.32)	0.47
18. Net profit for the year	22.85	22.49	54.07
19. Other comprehensive income (loss):			
20. Gain (loss) on sales of other non-current financial assets	4.31	(0.29)	1.90
21. Gain (loss) on measuring of other non-current financial assets	8.39	4.15	(20.96)
22. Gain (loss) on other comprehensive income	-	(4.43)	0.69
23. Total other comprehensive income (loss) before income tax	12.70	(0.57)	(18.37)
24. Income tax effects on other comprehensive income (loss)	(1.68)	0.05	3.81
25. Total other comprehensive income (loss) after income tax	11.02	(0.52)	(14.56)
26. Total comprehensive income for the year	33.87	21.97	39.51

### Profitability ratios

	<u>(Unit)</u>	<u>Y2021</u>	<u>Y2020</u>	<u>Y2019</u>
Profit from production of advertising materials	(%)	16.47	19.41	20.02
Profit from recurring activities	(%)	1.99	1.74	3.44
Net profit for the year	(%)	1.67	1.64	3.47
Return on equity	(%)	2.56	2.51	5.92

### Efficiency ratio

	<u>(Unit)</u>	<u>Y2021</u>	<u>Y2020</u>	<u>Y2019</u>
Return on assets	(%)	1.85	1.78	4.21

### Growth rates

	<u>(Unit)</u>	<u>Y2021</u>	<u>Y2020</u>	<u>Y2019</u>
Billings	(%)	(0.27)	(12.03)	(5.84)
Total income from advertising activities	(%)	5.08	(19.08)	(16.44)
Operating Expenses	(%)	3.13	(9.47)	(3.74)
Net profit for the year	(%)	1.60	(58.41)	(27.80)

- 1. Income from advertising activity** In the year 2021 Income from advertising activity was Baht 163.69 million, an increase of Baht 8.21 million or 5.08 % from last year. Although the COVID-19 virus outbreak is still having a financial impact, consumers are starting to adjust their behavior to return to a new normal life. As have the Company's customers, who have returned to utilize advertising budgets in the 4th quarter of Year 2021 by adjusting their advertising plans in response to the changing consumer behavior.
- 2. Income from other activity** In year 2021, Income from other activities was Baht 29.18 million, an increase of Baht 2.33 million or 8.68 % from last year. Interest Income decreased amounting to Baht 0.97 million and other income increased Baht 3.62 million.
- 3. Selling expenses and administrative expenses** Selling expenses and administrative expenses in 2021 are equal to 158.39 million baht, an increase of 3.13% from 2020. This is due to the Company's initiative to reduce employee salaries from April 2020 to December 2020, as well as implementing cost control measures throughout the company.

### Ability of Asset Management

Financial Status as at 31 December 2021

#### 1. Asset

As at 31 December 2021, the company's group total assets were Baht 1,206.77 million, a decrease of Baht 51.90 million from Baht 1,258.67 million as of December 31, 2020. Main changes were as follows:

- Trade accounts and other receivables decreased by Baht 124.56 million

- Other current investment changed as below:
  - Private Fund decreased Baht 32.62 million
  - Others current investment decreased Baht 10.93 million
- Other non-current financial assets increased Baht 7.31 million
- Investments in joint venture, associated and subsidiary companies increased Baht 24.44 million from an investment in Sukhumvit 62 Medical Ltd. Baht 30 million.
- Property, plant and equipment decreased Baht 11.60 million from depreciation and no new major investments.
- Deposit of Baht 100 million for the purchase of land and an 8-storey office building at Soi Sukhumvit 62, Bangkok.

#### The quality of the significant assets

- Most clients settled on time and the collection period is faster than the previous year. The average collection period of 2021 was only 51 days which was 14 days shorter than the year 2020.
- Other current financial assets and other non-current financial assets consist of investment in private fund and investment in debt and equity securities which decreased from the year 2020, amounting to Baht 36.23 million from the selling of investments.
- As of 31 December 2021, there was reserved loss from fair value changes in securities amounting to Baht 31.15 million whereas 31 December 2020 was Baht 39.54 million.

## 2. Liabilities

As at 31 December 2021, the company's group total liabilities were Baht 306.15 million a decrease of Baht 61.32 million or 16.69% from December 31, 2020. Main changes were as follows:

- Trade accounts and other payables decreased Baht 57.56 million
- Accrued income tax increased Baht 3.11 million
- Other current liabilities decreased Baht 6.41 million
- Deferred lease right decreased Baht 1.11 million

## 3. Shareholders' equity

As at 31 December 2021, the company's group total shareholders' equity was Baht 900.62 million, an increase of Baht 9.41 million from December 31, 2020. Main changes were from dividend payment amounting to Baht 24.18 million and the company group achieved a net profit amounting to Baht 22.85 million.

## Liquidity and Fund Sufficiency

Cash and cash equivalents amounted to 119.63 million baht, a change of 2.71 million baht from the previous year. The change in cash flows from Net cash flow from operating activities was 137.63 million-baht, net cash flow used in investing activities was 116.16 million baht, while net cash flow used in financing activities was 24.18 million baht. The liquidity and fund sufficiency were favorable.

## Liquidity ratios

	<u>(Unit)</u>	<u>Y2021</u>	<u>Y2020</u>	<u>Y2019</u>
Current Ratio	(Times)	2.03	2.18	2.75
Quick Ratio	(Times)	1.98	2.14	2.56
Cash Flows Ratio	(Times)	0.49	0.40	0.16
Accounts Receivable Turnover	(Times)	7.11	5.52	5.39
Average Collection Period	(Days)	51	65	67
Accounts payable Turnover	(Times)	5.76	5	6
Average Payment Period	(Days)	62	69	58
Cash Cycle	(Days)	(12)	(4)	9

## Commitment

To ensure that the subsidiaries and joint ventures have sufficient working capital, the company and company's director mortgaged the assets as follows:

1. The subsidiary company's fixed deposit amount of 30 million baht has been pledged as collateral and to facilitate an overdraft and bank guarantee for one Joint Venture.
2. Land and building of its current office premises, were mortgaged to bank as collateral for
  - 30 million baht overdraft facilities for one subsidiary
  - 80 million baht credit facilities for issuing of promissory notes, tender offer and letter of guarantee for one Joint Venture.
3. The Director's fixed deposit amount of 1 million baht has been pledged as collateral and to facilitate an overdraft for one subsidiary.
4. The director's Land and Building were mortgaged to bank as collateral for 10 million baht overdraft for one subsidiary.



## 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	: <a href="http://www.prakit.com">www.prakit.com</a>
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 investment in associated and subsidiary companies with advertising business or concern, and other business types for the expansion of Company's business.

### Summary of Associated and Subsidiary Company

#### Associated Companies

##### Direct Response Recruitment (Thailand) Limited

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

##### 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 1,000,000,000 shares, par value of 100 Baht issued and paid up:
Number of shares	: Ordinary share of 3,000,000 shares at 33% of the issued shares as follows: held by the Company

## Joint Venture

### 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 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.

## Subsidiary

### Prakit Advertising Limited

Company name	: Prakrit 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	: (111/44B), Yodayar Street, 9 Mile, Mayangone Township, Pyay Road, Yangon, Myanmar
Type of business	: Media broker and creating advertisement, direct advertising (event) and Public Relation
Registered Share	: Ordinary share 500 shares of US 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 Ms. Saleela Puttitarungvong  
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

### Internal Audit

Prakit Group has assigned Thirty-Four Audit Office Co., Ltd. as the Group's internal audit.

#### Detail of the Head of Audit

Mr. Thanadol Ruksapol

#### Education

- Bachelor of Accounting, Chulalongkorn University (1<sup>st</sup> Class Honors)
- Master of Accounting Chulalongkorn University
- Doctorate of Accounting Chulalongkorn University

#### Work Experience

2011-present	Thana Accounting Group and Thirty-Four Audit Office Co., Ltd.
2005-2011	Ernst & Young Corporate Services Limited
2004	KPMG Phoomchai Audit Co., Ltd.

#### Present Position

- Partner of Audit Group, Thana Accounting Group and Thirty-Four Audit Office Co., Ltd.
- Academics of the Board of Accounting Standards, Thailand to Federation of Accounting Professions
- Certified Public Accountant, registration number 8910
- Standards experts according to the Thai Financial Reporting Certificate (Dip-TFR)
- Cooperative auditor and inspector, Cooperative Auditing Department
- Auditor certified by the Office of the Auditor General of Thailand
- Branch Development Sub-Committee Federation of Accounting Professions
- Audit Committee of Companies listed on multiple stock exchanges (IPOs)

#### Contact

48bThana Place, 2nd Floor, Soi Charansanitwong 34, Charansanitwong Rd.,  
Arun Amarin, Bangkok Noi, Bangkok 10700  
Tel 02-4349999 Fax 02-4349998



#### 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

##### Board of Directors Office

Our stakeholders can send inquiry, opinion, suggestion or complaint via the following channel.

- Secretary of the Company via Tel: 027153000 or Email: wichuda@prakit.com
- Chairman of Audit Committee

Via air mail: 88 Soi Sukhumvit 62, 3rd intersection, Phra Khanong Tai, Phra Khanong, Bangkok 10260

- Customer Relations via Tel: 027153000 or e-mail: linda@prakit.com
- The Company's website e-mail: info@prakit.com

#### Legal Cases

A subsidiary company took one of their clients to court in a 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.



## Details of Directors & Executive Management

**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 the Executive Board, which is a combination of committee and non-committee specialists to ensure that everything is in accordance with Company's policy.

# Mr. Prakit Apisarnthanarax



## Position

# President

and Authorized Director

## Age

83

## Company Share Portion

9.97% of voting right common stock

## Education

BA in Economic  
Thammasart University

## Family Relationship of Directors

Father of Mr. Apirak Apisarnthanarak  
(Managing Director)

## Working Experience within 5 Years

1986 – present	President and Director Prakit Holdings Plc. Prakit & Associate Co., Ltd. Prakit Advertising Co., Ltd. Marketing Drive Worldwide (Thailand) Co., Ltd.
----------------	---

# Mr. Phisal Prahasdangkura



## Position

### Vice President

and Authorized Director

## Age

77 years old

## Company Share Portion

0.15% of voting right common stock

## Education

B.A. in Mass Communication  
Miami College, United States of America

## Family Relationship of Directors

- None -

## Working Experience within 5 Years

1986 – present	Vice President and Director Prakit Holdings Plc. Prakit & Associate Co., Ltd. Prakit Advertising Co. Ltd. Marketing Drive Worldwide (Thailand) Co., Ltd.
----------------	---

# Mr. Preecha Chaochotechuang



## Position

# Director

and Authorized Director

## Age

74 years old

## Company Share Portion

0.23% of voting right common stock

## Education

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

## Family Relationship of Directors

- None -

## Working Experience within 5 Years

Present	Director Prakit Holdings Plc.
---------	----------------------------------

# Mr. Vichien Nakintanond



## Position

**Director**

## Age

73 years old

## Company Share Portion

- None -

## Education

High School  
Vatrangbua School

## Family Relationship of Directors

- None -

## Working Experience within 5 Years

Present	Director
	Prakit Holdings Plc.



# Mr. Sommanous Na Bangchang



## Position

**Independent Director**  
and Audit Committee

## Age

73 years old

## Company Share Portion

- None -

## Education

MBA

Southeastern Oklahoma, State University

## Family Relationship of Directors

- None -

## Working Experience within 5 Years

2016 – 31 Jan 2022 Independent Director  
and Audit Committee  
Prakit Holdings Plc.

# Dr. Pichai Charnsupharind



## Position

**Independent Director**  
and Audit Committee

## Age

79 years old

## Company Share Portion

- None -

## Education

- B.A. in Economic  
Thammasart University
- Master Degree in Economic  
University of the Philippines
- Ph.D. in Economics  
University of the Philippines

## Family Relationship of Directors

- None -

## Working Experience within 5 Years

- |         |   |
|---------|---|
| Present | <ul style="list-style-type: none"><li>● Independent Director / Audit Committee<br/>Prakit Holdings Plc.</li><li>● Director of the Association of Economics<br/>Thammasart University</li><li>● Consultant of The Federation<br/>of Saving of Thailand Limited</li></ul> |
|---------|---|



# Dr. Sukanya Nitungkorn



## Position

### Independent Director and Audit Committee

## Age

79 years old

## Company Share Portion

- None -

## Education

- Bachelor's degree in Economics  
Thammasart University
- Master's degree in Economics  
Vanderbilt University
- Ph.D. Economics  
Southern Methodist University

## Family Relationship of Directors

- None -

## Working Experience within 5 Years

- Present
- Independent Director / Audit Committee  
Prakit Holdings Plc.
  - Special Lecturer, Faculty of Economics  
Thammasart University

# Mr. Apirak Apisarnthanarak



## Position

### Director

and Managing Director

## Age

50 years old

## Company Share Portion

5.24% of voting right common stock

## Education

- BBA in Marketing and Management of Information System  
Southern Methodist University
- MBA  
The University of North Carolina, Chapel Hill, USA

## Family Relationship of Directors

The President's son

## Working Experience within 5 Years

### Present

- Managing Director  
Prakit Holdings Plc.
- Director  
Marketing Drive Worldwide (Thailand) Ltd.
- Managing Director  
Prakit Advertising Co., Ltd.



**Ms. Wichuda  
Grairithikul**

**Position**

**Chief Finance officer**

Company Secretary

Audit Committee Secretary

**Age**

63 years old

**Company Share Portion**

1.06% of voting right common stock

**Education**

- B.A.in Accounting, Thammasart University
- Master degree in Accounting, Thammasart University

**Family Relationship of Directors**

- None -

**Working Experience within 5 Years**

1999 – present Chief Financial Officer,  
Company Secretary and  
Audit Committee Secretary  
Prakit Holdings Plc.



**Mrs. Siriorn  
Chernpipat**

**Position**

**Executive**

**Media Director**

**Age**

58 years old

**Company Share Portion**

- None -

**Education**

B.A.in Mass Communication  
Thammasart University

**Family Relationship of Directors**

- None -

**Working Experience within 5 Years**

1993 – present Executive Media Director  
Prakit Holdings Plc.

## Report of Number of Shares Held by Directors and Executives

As of December, 2021

Name	2021		2020		Increase/ (Decrease)	2021 in total	Percentage
	Director/Executive	Spouse	Director/Executive	Spouse			
Mr. Prakit Apisarnthanarax	5,829,890	200,000	5,829,890	200,000	-	6,029,890	9.97
Mr. Phisal Prahasdadangkura	25,300	63,700	25,300	63,700	-	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. Sukanya Nitungkorn	-	-	-	-	-	-	-
Mr. Apirak Apisarnthanarak	3,018,252	150,650	3,018,252	150,650	-	3,168,902	5.24
Ms. Wichuda Grairithikul	637,450	-	637,450	-	-	637,450	1.06
Mrs. Siriorn Chernpipat	-	-	-	-	-	-	-

## Details of Subsidiaries Director

Name of Director	Prakit Holdings PLC	Subsidiary Company			Joint Venture	Related Company		Other Company		
		Prakit Advertising	Marketing Drive Worldwide	Prakit Advertising (Myanmar)	Bangkok Writer & Partners	Direct Response Recruitment	Sukhumvit 62 Medical	62 Content & Design	Double P Marketing	Prakit & Associate
Mr. Prakrit Apisarnthanarax	B,A,C	A,C	C				B,C			A,C
Mr. Phisal Prahasdadangkura	B,C	C	C						C	
Mr. Preecha Chaochotechuang	C									
Mr. Sommanous NaBangchang	F,G									
Dr. Pichai Charnsupharindr	F,G									
Mr. Vichien Nakintanond	C					C				
Dr. Sukanya Nitungkorn	F,G									
Mr. Apirak Apisarnthanarak	B,D	B,D	C	C	C		C	C		
Ms. Wichuda Grairithikul	B	B		C	C		C	B,C	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

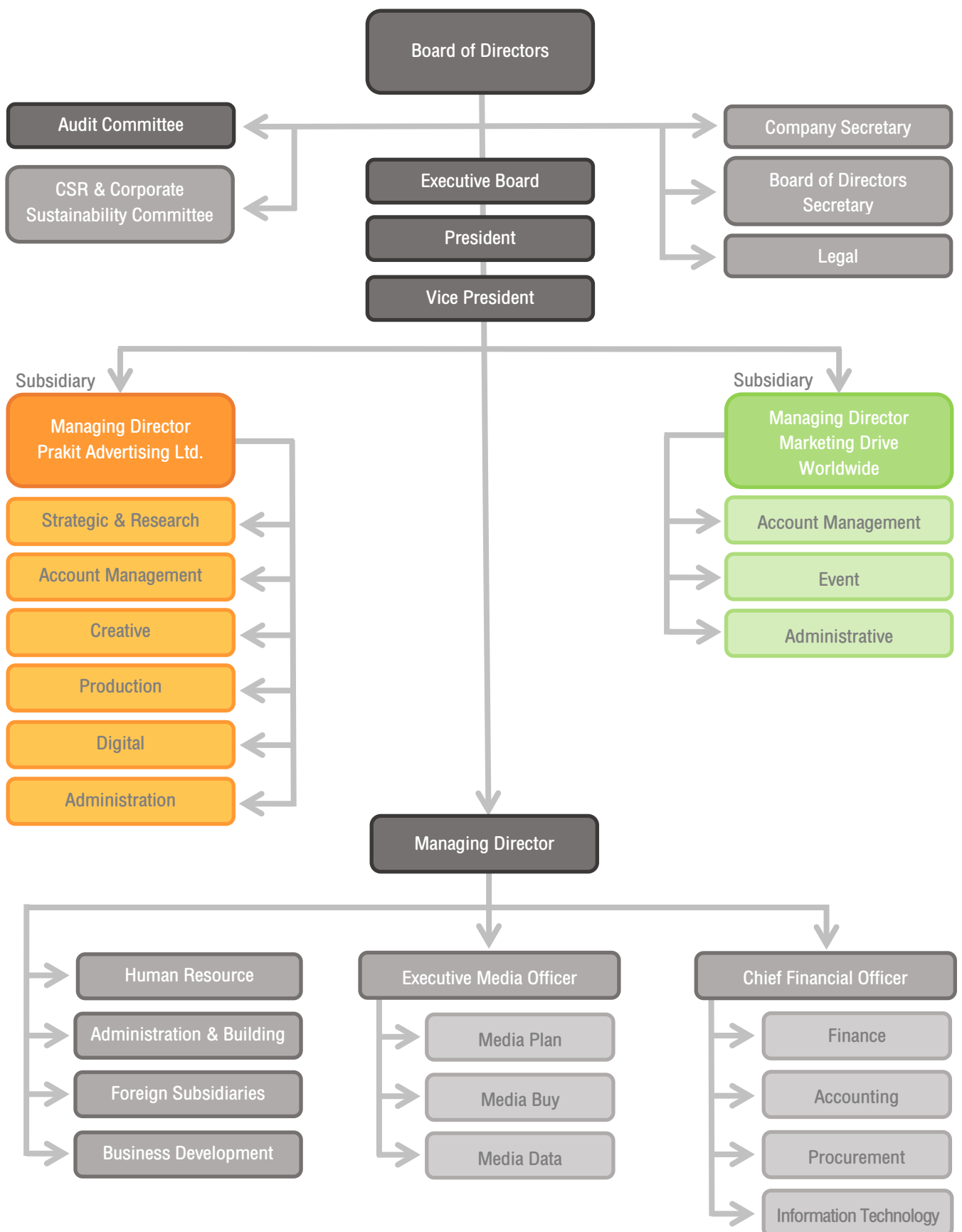


Part 2

# Corporate Governance

Committed to our mission, the Board aims to develop the  
Company sustainably with responsibility to stakeholders  
and society, encourage and support our employees.

## Corporate Governance Structure Chart



# Corporate Governance Policy

## Conduct of Corporate Governance

The Board of Directors has 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 complying with the Securities and Exchanges Acts, regulation of the SET and the resolution of the shareholder's meeting constantly.

## Business Ethics

Aware of the importance of operating with good morals, the Board of Directors has published a code of conduct based on the company's ethics, which executives and staff must follow. For new employees, the Company arranges an orientation session about the code of conduct and has the employees sign an acknowledgement and compliance document.

The Audit Committee is responsible for enforcing the Company's ethics and to report to the Audit Committee before reporting to the Board of Directors.

## Rights of Shareholders

### Shareholders Meeting

The Company provides a meeting invitation, agenda and reference material prior to each meeting with opinions of the Board of Directors. attached. Shareholders can propose additional agenda items. There is a complete and accurate meeting report for the shareholders to check released 14 days in advance on the Company's website. Moreover, information about the shareholders' meeting has been posted beforehand in the Company's website: [www.prakit.com](http://www.prakit.com). Then invitation letter includes the way to post questions in advance. The Board and the management always conduct the shareholder's meeting with fairness and equality for all attendees.

In order to encourage all shareholders to attend the annual general meeting, the Company provides transportation for the shareholders to travel from the nearest BTS station to the Company.

### 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 the Stock Exchange of Thailand, information, detail and reason/necessity, if any, in the Company's annual report.

### Internal Information Policy

The company's policy does not allow directors, executives, spouses and children who have not reached 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 the first Company's shareholding report and a change in shareholding report to The Office of the Securities and Exchange Commission (SEC) within 3 days, starting from the date of change and to the Company Secretary in the same day.



## Role of Stakeholders

### 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, creditors, 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 2021, the situation of the COVID-19 epidemic still remains, so the company provides online training instead and encourages staff to participate in a variety of activities. For example, urging creative teams to enter their creative works to win awards.

#### Client

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. Moreover, The Company and the customer both evaluate each other's yearly performance in order to enhance working efficiency.

#### Partner

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

#### Creditor

The Company complies to the credit contract and conditions. It also manages the cost to pay creditors on time.

#### Competitor

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.

#### Shareholder

It is the Company policy to treat all stakeholders fairly and equally. To comply with the Corporate Governance, Right of Shareholders, the Company allows the shareholder to propose the agenda of the Annual General Meeting of Shareholders and propose a person with adequate qualification and are not prohibited to be nominated for the Company's director beforehand. The criteria and regulation were disclosed on the Company's website [www.prakit.com](http://www.prakit.com) from 12 October 2021 to 31 December 2021. Shareholders can go to *The Criteria for shareholders right to propose the agenda and to nominate the Candidate for being a director* on the website.

The Company assigns Ms. Wichuda Krairittikul, Company Secretary, to answer the shareholder's and investor's inquiry via:

E-mail: [linda@prakit.com](mailto:linda@prakit.com)

Tel: 027153000

#### Society

The Company has policy regarding social responsibility. See detail on page 22, *Corporate Sustainable Development*.

## 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.

## Board of Directors

### Appointment

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

- (1) One shareholder holds the number of votes as of the number 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) who 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 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.

### Remuneration and Nomination

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 the Executive Board, which is a combination of committee and non-committee specialists to ensure that everything is in accordance with Company's policy.

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, 10,000 baht per time, is paid for independent Directors to attend Board of Directors meeting, Audit committee meeting and shareholders meeting.

### Board of Directors Meeting

Policy regarding the Board of Director meeting is defined as followed:

1. The Board meeting must be held regularly which can be divided to 4 quarterly meetings and 3 or more meetings on other agendas.
2. The agenda of each meeting must be clearly defined and must consist of the review of operating results.
3. The Company Secretary prepares the meeting invitation letter, agenda and other documents for the Directors 7 days before the meeting date to provide adequate information to the Directors before attending the meeting.
4. The Company Secretary informs all Directors about the annual meeting schedule. The date of the meeting on other agenda will be announced at least 2 weeks in advance.
5. 2 of 3 Directors must be present at the meeting when the vote to approve any agenda is made.

### Board of Directors meeting schedule

1/2022	24 February 2022
2/2022	15 March 2022
3/2022	12 May 2022
4/2022	11 August 2022
5/2022	10 November 2022

### Director's Reporting

The Board of Directors 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.

### Training and Education for Director

It is the Company's policy to encourage the Directors and Executives on knowledge and skill by providing training and other necessary education from external institution.

### Director Orientation

The Board of Director prepares media for new director orientation, be it the regulation, ethics, corporate governance, and other information necessary.

## Succession Plan

The Board of Director defines policy on succession plan as followed:

1. The Board defines Executive's knowledge and skill development.
2. The Board selects the Executive who has knowledge, skills, experience and other qualification relevant to the position.
3. The Board evaluates the nominated Executive's knowledge and skills to establish a development plan for each Executive to be ready for the succession.
4. The Board prepare for the future working plan for the Executive. The nominated Executive shall attend the meeting with high-level executive and train to understand the future position.

## Performance Result Assessment

The Board manages the performance results assessment yearly. The topics of the assessment are 1) Board qualification and structure 2) Quality of the Board meeting 3) Role, duty and responsibility of the Board 4) Others.

The assessment is conducted by:

1. The evaluation of the Board's performance once per year.
2. The Company Secretary summarizes the evaluation and reports to the Board for future development.

# Management Structure

## Board of Directors

### Duties and Responsibilities

The authority of Directors is 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. Establish and review the Company's vision and mission and ensure the operation is in compliance with the vision.
2. Consider the annual budget and quarterly result of the Company and group of companies
3. Consider the investment in new projects, acquisition and disposition of assets.
4. Consider and approve salary adjustment, bonus for the management and staff.
5. Consider 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. Consider and set the annual general meeting of shareholders date, agenda and interim dividend payment.
7. Direct governance and management with integrity, good morals, 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.

The Board of Directors of Prakit Holdings Public Company Limited as of February 24, 2022 consists of 8 directors:

Director's Name		Position	Date of Appointment	Term as Director
1.	Mr. Prakit Apisarnthanarax	President	28 December 1992	30 years
2.	Mr. Phisal Pahasdangkura	Vice President/Director	28 December 1992	30 years
3.	Mr. Pheecha Chaochotechuang	Director	28 December 1992	30 years
4.	Mr. Apirak Apisarnthanarak	Managing Director/Director	24 April 2008	14 years
5.	Mr. Vichien Nakintanond	Director	28 December 1992	30 years
6.	Dr. Pichai Charnsupharindr	Independent Director/Audit Committee	25 April 2005	17 years
7.	Ms. Sukanya Nitungkorn	Independent Director/Audit Committee	10 May 2021	1 year
8.	Mr. Thitawat Asaves	Independent Director/Audit Committee	24 February 2022	-

Note: Mr. Sommanous Na Bangchang passed away on January 31, 2021. Mr. Thitawat Asavet was appointed as an independent director and audit committee.

#### The Company authorized directors

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

## Sub-Committee

### Audit Committee

#### Duties and Responsibilities

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

1. Review and ensure that the company's financial disclosure is accurate and sufficient.
2. Ensure that the company has appropriate and effective internal control and internal audit systems. Select and nominate the head of internal audit unit and/or external internal audit company. Participate the meeting with the internal audit unit at least 4 times yearly.
3. Monitor that the company complies with the Securities and Exchange Acts, regulation of the SET, and any related business laws.
4. Consider, select, nominate, terminate employment, propose audit fee and have meetings with the Company's auditors at least once a year.
5. Consider that the company complies with all connected transaction disclosures or the conflict-of-interest disclosures and propose to the Board for consideration.
6. Consider the corruption risk assessment results from the internal audit and report to the Board of Directors.
7. Carry out the assignment from the Board of Directors, which is agreed upon by the Audit Committee.

The Audit Committee consists of 3 independent directors appointed by The Company's Board of Directors 2/2022 on February 24, 2022 each for a 3-year term. All of the Audit Committee are independent directors.

- |    |              |                |  |
|----|--------------|----------------|--|
| 1. | Dr. Pichai   | Charnsuparindr | Audit Committee Chairman                                       |
| 2. | Ms. Sukanya  | Nitungkorn     | Audit Committee Member   |
| 3. | Mr. Thitawat | Asaves         | Audit Committee Member with financial and accounting Knowledge |
| 4. | Ms. Wichuda  | Grairithikul   | Audit Committee Secretary                                      |

### Corporate Sustainability Development Committee

The Company's Managing Director is the chairman of the committee. The members of this committee consist of representatives from various departments of the Company and its group companies as follows:

1. Account Management Senior Director
2. Strategic and Research Senior Director
3. A Representative from Human Resources Department
4. A Representative from Accounting and Finance

With a representative from the Company Secretary team as the secretary of the committee.

#### Duties and Responsibilities

1. Create quality products according to good governance for sustainable growth.
2. Plan the development of the employees to lead to the sustainability of the organization.
3. Schedule social responsibility activities.
4. Encourage all stakeholders to participate in anti-corruption.

As of December 31, 2021, the committee consists of 3 Executive Director level staffs

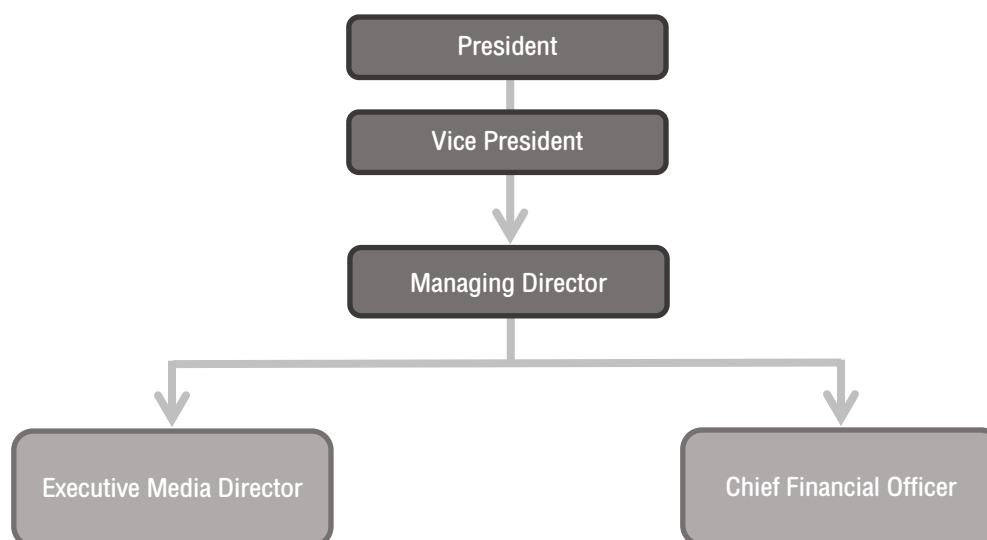
- |    |              |                 |   |
|----|--------------|-----------------|---|
| 1. | Mr. Apirak   | Apisarnthanarak | Corporate Sustainability Development Committee Chairman |
| 2. | Ms. Nutrapee | Boonyapuk       | Corporate Sustainability Development Committee Member   |
| 3. | Ms. Sivaporn | Majaroen        | Corporate Sustainability Development Committee Member   |

### Executive Management

#### Duties and Responsibilities

1. Follow up policy defined by the Company Board of Directors by setting operational plans accordingly.
2. Prepare operational plan and annual budget to propose to the Board of Directors.
3. Conduct and propose investment project to the Board of Directors.
4. Report the Company's performance results to the Audit Committee and Board of Directors.
5. Carry on other tasks assigned by the Board of Directors.

## Corporate Governance Structure Chart (Management)



As of December 31, 2021, Executive Management was the management team of the Company and 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. Ms. Wichuda   | Grairithikul    | Chief Finance Officer    |

### Executive President/Chief Executive Officer

#### Duties and Responsibilities

1. Propose policy, goals, and company operating results to the Board of Directors for approval.
2. Propose annual budget and investment plan to the Board of Directors for approval.
3. Entitled to invest and operate within 50-million-baht budget.
4. Monitor and control the Management to operate effectively and in compliance with the policy, strategy, and budget approved by the Board.
5. Propose the organization structure, Executive's and employee's remuneration and welfare to the Board of Directors for approval.
6. Carry out other tasks assigned by the Board of Directors.

## Executive Management of the Subsidiary

### Prakit Advertising Company Limited

1. Mr. Apirak	Apisarnthanarak	Managing Director
2. Mrs. Siri-orn	Chernpipat	Executive Media Director
3. Ms. Wichuda	Grairithikul	Chief Finance officer
4. Mr. Korsak	Chotirak	General Manager
5. Mr. Kittiphan	Palmoke	Creative Senior Director
6. Mr. Denko	Thatchaichawalit	Creative Senior Director
7. Ms. Sivaporn	Majaroen	Strategic and Research Senior Director
8. Mr. Thanun	Anurakjunyong	Account Management Senior Director
9. Ms. Nutrapee	Boonyapuk	Account Management Senior Director
10. Ms. Duangjai	Tungyingcharoen	Account Management Senior Director
11. Mr. Veerakard	Prahasdangkura	Digital Senior Director

## 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, 2021, 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

In 2021, 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. Ms. Sukanya	Nitungkorn	20,000 baht



### Other Benefits

Group Accident Insurance and Medical Expense totally 295,025.00 baht. Moreover, Company paid the remuneration to Directors who were Executive Management and Executive Management Member as salary, bonus and other benefits was 13,797,652.91 baht.

### Subsidiaries

Subsidiary 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 24,208,980.00 baht.

Subsidiary Companies paid meeting allowance, 10,000 baht per time, to the Directors and Executives participating the Subsidiary Companies' Board meeting and Executive meeting.

### Human Resource

As at December 31, 2021, staff of the Company and subsidiary are as follow:

Department	Company	Subsidiaries
Management	5	11
Media	53	5
Account team/Creative/Strategic planning/Production	4	81
Administration	38	25
<b>รวม</b>	<b>100</b>	<b>126</b>

The remuneration as salary, bonus, provident fund and social insurance contribution of 2021 totaled:

Company	Subsidiaries
<b>60,322,823.86</b>	<b>81,214,406.22</b>
<b>baht</b>	<b>baht</b>

### Provident Fund Participation

	Number of Employees Participating Provident Fund	Proportion of employees participating in provident funds to total employees
<b>Company</b>	66	63%
<b>Subsidiaries</b>	70	64%

## Other Information

### Company Secretary

The Board of Directors has appointed Ms. Wichuda Grairithikul to be the company secretary. The details of the company secretary appear on page 52.

### Remuneration of The Audit

In 2020, The Company and Subsidiaries paid Bunchi-Kij Company Limited as follows:

1. Remuneration for auditing at 1,508,000 baht
2. Other services: - none -

## Report on Performance in Corporate Governance

### 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 beneficial to the Company including not prohibit by Public Limited Company ACT and The Securities and Exchange Act B.E. 2535. Then, the names shall be proposed to the Shareholder's meeting for the appointment.

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

#### Criteria for independent director nomination

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 these 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.

### Training and Education for Director

In 2021, there were a Director and Executives attending a course and seminar.

Director and Executive	Position	Course and Seminar
Mr. Apirak Apisarnthanarak	Managing Director	<ul style="list-style-type: none"> <li>Second wave of Covid-19: How companies should respond?</li> <li>The Great Reset 2022 " The New World Revolution and Rule"</li> </ul>
Mrs. Siriorn Chernpipat	Executive Media Director	<ul style="list-style-type: none"> <li>Grow with TikTok - Get Ready for Mega Sales</li> <li>Lazada X FB: Tips to Achieve FB CPAS</li> </ul>
Miss Wichuda Grairithikul	Chief Finance Officer	<ul style="list-style-type: none"> <li>Accounting Problems in Financial Reporting Standards.</li> <li>Must-Know Important Accounting Principles for Accountant</li> </ul>
Ms. Sivaporn Majaroen	Strategic and Research Senior Director	<ul style="list-style-type: none"> <li>Workshop S01-S05 (Corporate Sustainability Strategy)</li> </ul>
Mr. Thanun Anurakjunyong	Account Management Senior Director	<ul style="list-style-type: none"> <li>Personal Data Protection Act (PDPA)</li> <li>Fast-Track Your Data and AI Towards Business Success</li> </ul>
Ms. Nutrapee Boonyapuk	Account Management Senior Director	<ul style="list-style-type: none"> <li>Workshop S01-S05 (Corporate Sustainability Strategy)</li> </ul>

## Board of Directors Meeting

### Board of Director

Director's Name		Participation
1.	Mr. Prakit Apisarnthanarax	11/11
2.	Mr. Phisal Prahasdangkura	11/11
3.	Mr. Pheecha Chaotechuang	11/11
4.	Mr. Apirak Apisarnthanarak	11/11
5.	Mr. Vichien Nakintanond	11/11
6.	Dr. Pichai Charnsupharindr	4/11
7.	Mr. Sommanous Na Bangchang	11/11
8.	Dr. Sukanya Nitungkorn	2/11

In 2021, there was one meeting held by the Non-executive Directors.

### Audit Committee

In 2021, the Audit Committee held 4 meeting attended by the following:

Director's Name		Participation
1.	Dr. Pichai Charnsupharindr	4/4
2.	Dr. Sukanya Nitungkorn	2/4
3.	Mr. Sommanous Na Bangchang	4/4

Mr. SommanousNa Bangchang is on the Audit Committee with adequate financial knowledge and experience to review and prove opinion to the financial statement.

In 2021, The Audit Committee joined the meeting with the auditors twice and with the internal audit company 4 times.

### Corporate Social Responsibility and Sustainability Committee

In 2021, the Corporate Social Responsibility and Sustainability Committee held 4 meeting attended by the following:

Director's Name		Participation
1.	Mr. Apirak Apisarnthanarak	4/4
2.	Ms. Nutrapee Boonyapuk	4/4
3.	Ms. Sivaporn Majaroen	4/4

## Directing the operation of subsidiary and associated companies

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

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

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



## Anti-Corruption

The company has a policy to operate with transparency in accordance with the principles of good corporate governance and set up guidelines to prevent corruption and corruption in the company's business as follows:

### Guidelines

1. Directors, executives and staff of group of companies are prohibited to accept or support or take part in corruption neither directly or indirectly.
2. Directors, executives and employees of the Group Company are prohibited from accepting all forms of bribes.
3. Directors, executives and employees of the Group Company are prohibited from receiving or giving a business gift, except for traditional giving which value not more than 3,000.00 baht per time per person.
4. Employees must not ignore when encountering fraudulent actions and must notify the responsible person. The company must provide protection and fairness to employees who report fraud, as well as examine the matters that have been reported. Requirements and procedures for notifying the responsible person are set out in the Company's Articles of Association given to employees upon entering the Company.
5. The Company provides knowledge on anti-corruption to directors, executives and employees; and encourages them to be ethical in performing their duties.
6. Arrange the risk assessment on corruption, separately from other risk factors. The internal audit is responsible for auditing, assessing, and reporting the result to the Audit Committee and Board of Director.
7. Directors, executives and employees of the Group of Companies who commit an offence will be subject to disciplinary action in accordance with the Company's rules and may be subject to legal penalties.

## Whistle Blowing Policy

The Company provides channels for the employees, stakeholders, and other people to send any information about any acts violating the law, corruption or any acts that may harm the Company. The process is described as follows:

### Whistle blowing channel

1. Send complaints via the Secretary of Audit Committee at [ac@prakit.com](mailto:ac@prakit.com) or Tel: 027153000
2. Report to the supervisor and/or Human Resource Consultant via e-mail: [info@prakit.com](mailto:info@prakit.com)
3. Report directly to the Audit Committee by sending a mail to 88 Sukhumvit 62 section 3, Phra Khanong Tai, Phra Khanong, Bangkok 10260.
4. Report via a comment box, which is moderated by the Human Resource Consultant

### Complaint receiving process

1. After receiving the complaint, the person entitled will report to the Audit Committee.
2. The person entitled by the Audit committee conducts the investigation within 7 days.
3. After finishing the investigation and fixing the problem, the results will be announced to the whistle blower, both the employees and other people, within 15 days. If the whistle blower is not satisfied with the result and solution, the whistle blower can appeal to the Audit Committee.

### Whistle blower protection

The Company must keep the whistle blower's information confidential. In case the whistle blower is the victim, the Company will investigate and relieve the damage using fair and appropriate procedures. The Company ensures that the complaints will not be the reason for the whistle blower to be terminated from employment, punished, or any other harmful actions.

However, in 2021, there was no whistleblowing and complaints from employees, stakeholders and other parties.

## 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 department.

## 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 tenants

Relationship	Company	Amount (thousand baht)		
		2021	2020	2019
Subsidiaries	• Prakrit Advertising Ltd.	3,516	3,633	3,633
	• Marketing Drive Worldwide (Thailand)Ltd.	480	480	480
Joint Venture	• Bangkok Writer & Partners Ltd.	360	360	360
Related Company	• Double P Marketing Communication Ltd.	600	600	600
	• 62 Content & Design Ltd.	54	54	68
Total		5,010	5,127	5,141

### Management Income

Reason: The Company has agreement with subsidiaries, joint venture, and related companies for management service. This was due to the fact that these companies are not specialists in some areas of expertise.

Relationship	Company	Amount (thousand baht)		
		2021	2020	2019
Subsidiaries	• Prakrit Advertising Ltd.	1,730	1,780	3,306
	• Marketing Drive Worldwide (Thailand)Ltd.	384	384	384
Joint Venture	• Bangkok Writer & Partners Ltd.	1,800	1,800	1,800
Related Company	• 62 Content & Design Ltd. (Executive of the Company listed as Director and Shareholder)	60	60	60
Total		3,974	4,024	5,550

### Income from other services, Water / Electricity bill

Reason: The Company has agreed with subsidiaries, joint venture and related companies to charge these expenses based on estimated “use” units.

Relationship	Company	Amount (thousand baht)		
		2021	2020	2019
Subsidiaries	• Prakit Advertising Ltd.	526	608	514
	• Marketing Drive Worldwide (Thailand)Ltd.	96	96	96
Joint Venture	• Sukhumvit 62 Medical Co., Ltd.	121	-	-
	• Bangkok Writer & Partners Ltd.	71	88	94
Related Company	• Double P Marketing Communication Ltd.	91	129	131
	• 62 Content & Design Ltd.	16	16	16
<b>Total</b>		<b>921</b>	<b>937</b>	<b>851</b>

### Commission Income

Reason: The Subsidiaries provide creative work and marketing service to the subsidiaries, joint venture and related companies as the Company can purchase media at more advantageous rates.

Relationship	Company	Amount (thousand baht)		
		2021	2020	2019
Subsidiaries	• Prakit Advertising Ltd.	6,173	5,658	5,863
	• Marketing Drive Worldwide (Thailand)Ltd.	-	-	-
	• Prakit Advertising Ltd. (Myanmar)	-	204	-
Joint Venture	• Sukhumvit 62 Medical Co., Ltd.	16	-	-
	• Bangkok Writer & Partners Ltd.	107	553	738
Related Company	• Double P Marketing Communication Ltd.	1,635	908	2,825
	• Draft Advertising Co., Ltd. (Cambodia)	45	313	6
<b>Total</b>		<b>7,976</b>	<b>7,636</b>	<b>9,432</b>



### Cost of Rendering of Service

Reason: The Subsidiary and related companies provide creative work and marketing service to the Company at market rate. The Company has no specialists in this area of work.

Relationship	Company	Amount (thousand baht)		
		2021	2020	2019
Subsidiaries	• Prakit Advertising Ltd.	3,530	1,159	4,062
	• Marketing Drive Worldwide (Thailand)Ltd.	-	-	-
	• Prakit Advertising Ltd. (Myanmar)	2	-	-
Related Company	• 62 Content & Design Ltd. (Executive of the Company listed as Director and Shareholder)	387	336	255
<b>Total</b>		<b>3,919</b>	<b>1,495</b>	<b>4,317</b>

### Dividend Income

Reason: Dividend payment from investment in subsidiaries.

Relationship	Company	Amount (thousand baht)		
		2021	2020	2019
Subsidiaries	• Prakit Advertising Ltd.	4,999	4,999	4,999
	• Marketing Drive Worldwide (Thailand)Ltd.	1,999	1,999	1,999
	• Prakit/FCB Cambodia Co., Ltd.	-	-	1,135
<b>Total</b>		<b>6,998</b>	<b>6,998</b>	<b>8,133</b>

### Interest Income

Reason: The Company loaned remaining cash to joint venture which needs working capital.

Relationship	Company	Amount (thousand baht)		
		2021	2020	2019
Joint Venture	• Bangkok Writer & Partners Ltd.	-	-	763
<b>Total</b>		<b>-</b>	<b>-</b>	<b>763</b>

The above-mentioned related transactions are the normal transactions among the Company, subsidiaries, joint venture and related companies. These shared resources allow our group to maximize profit which enables the Company to pay higher dividends to the shareholders.

In case of future related transactions, the Company still complies with general trading conduct and related law and regulations. The Board of Directors consistently reports the transaction to the Audit Committee.

The Company has guaranteed overdraft facilities and short-term loans for subsidiaries and joint venture as follows:

- Land and building of its current office premises, were mortgaged to bank as collateral for:
  - 30 million baht overdraft facilities for one subsidiary.
  - 80 million baht credit facilities for issuing of promissory notes, tender offer and letter of guarantee for one Joint Venture.
- The subsidiary company's fixed deposit been pledged as collateral and to facilitate bank guarantee in the amount of 7.5 million baht for one Joint Venture.

The above-mentioned collateral was to ensure the subsidiary and joint venture have sufficient working capital.



Part 3

# Financial Statements

Prakit Holdings Public Company Limited  
and its Subsidiaries  
Financial Statements  
and Independent Auditor's Report  
1 January 2021 to 31 December 2021

## 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 2021, 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 2021, 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 2021, the Group and the Company earns commission income from media agency service amounting to Baht 136 million in the consolidated financial statements and Baht 100 million in the separate financial statements. The commission income is recognized when the advertisement of client is broadcasted through media 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 misstatement which might materially affect the financial statement of the Group and the Company.</p>	<p>The key audit procedures included, but not limited to, the followings:</p> <ul style="list-style-type: none"><li>• Inquire the management to obtain the agreement and understand criteria of media agency service regarding sale and purchase, discount, and significant change from previous year,</li><li>• Evaluate and test of key internal control for commission income system.</li><li>• Analyze the commission rate whether it is corresponding to the agreement of media agency service.</li><li>• Perform sampling test to verify supporting documents of commission income, media cost and related discount.</li><li>• Perform sampling test to verify cash collection and trace to the accounting records.</li><li>• Perform subsequent test to verify media discount received after the financial reporting period.</li></ul>

### **Other Information**

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

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

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

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

The engagement partner responsible for the audit resulting in this independent auditor's report



(Mr. Pornchai Kittipanya-ngam)

Certified Public Accountant No. 2778

Bunchikij Co., Ltd.

Bangkok

24 February 2022

## Prakit Holdings Public Company Limited and its Subsidiaries

## Statements of Financial Position

As at 31 December 2021

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Notes	2021	2020	2021	2020
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	119,634,987	122,339,116	67,479,463	74,495,365
Trade and other receivables	6	187,950,541	312,513,655	168,466,759	251,182,767
Other current financial assets					
Investment in private fund	7	4,494,686	37,110,241	4,494,686	37,110,241
Others	8	178,827,060	189,754,727	124,955,021	106,073,459
Other current assets		11,704,804	13,207,388	4,665,158	3,957,311
Total current assets		502,612,078	674,925,127	370,061,087	472,819,143
NON-CURRENT ASSETS					
Bank deposit used as collateral	9	30,000,000	30,000,000	-	30,000,000
Other non-current financial assets	10	131,982,707	124,671,222	131,982,707	124,671,222
Investments in joint venture, associated and subsidiary companies	11	290,988,401	266,545,681	344,572,481	314,572,481
Loans to employees	12	80,000	140,000	-	-
Investment property	13	46,215,000	46,215,000	46,215,000	46,215,000
Property, plant and equipment	14	77,877,421	89,473,003	75,678,356	86,751,248
Intangible assets		7	7	4	4
Deferred tax assets	15	19,849,049	17,775,497	12,926,237	11,108,702
Deposits for land and building	16	100,000,000	-	100,000,000	-
Other non-current assets		7,161,867	8,924,712	-	95,400
Total non-current assets		704,154,452	583,745,122	711,374,785	613,414,057
TOTAL ASSETS		1,206,766,530	1,258,670,249	1,081,435,872	1,086,233,200

## Prakit Holdings Public Company Limited and its Subsidiaries

## Statements of Financial Position

As at 31 December 2021

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Notes	2021	2020	2021	2020
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Trade accounts and other payables	17	219,700,690	277,257,403	163,880,388	182,994,720
Accrued income tax		5,602,575	2,494,266	4,825,792	1,057,984
Other current liabilities		22,858,435	29,271,844	10,828,696	15,555,459
Total current liabilities		248,161,700	309,023,513	179,534,876	199,608,163
NON-CURRENT LIABILITIES					
Deferred lease right	18	8,570,102	9,680,424	8,570,102	9,680,424
Employee benefit obligations	19	48,875,405	48,220,931	20,934,802	20,313,356
Other non-current liabilities		540,000	540,000	540,000	540,000
Total non-current liabilities		57,985,507	58,441,355	30,044,904	30,533,780
TOTAL LIABILITIES		306,147,207	367,464,868	209,579,780	230,141,943
EQUITY					
Share capital					
Authorized share capital					
94,438,800 ordinary shares of Baht 1 each		94,438,800	94,438,800	94,438,800	94,438,800
Issued and paid-up share capital					
60,450,262 ordinary shares of Baht 1 each	20	60,450,262	60,450,262	60,450,262	60,450,262
Premium on share capital	21	193,568,560	193,568,560	193,568,560	193,568,560
Retained earnings					
Appropriated to legal reserve	21	10,000,000	10,000,000	10,000,000	10,000,000
Unappropriated		659,792,648	656,970,630	632,758,792	623,704,758
Other components of equity		(25,194,972)	(31,632,323)	(24,921,522)	(31,632,323)
Total equity attributable to the Company's shareholders		898,616,498	889,357,129	871,856,092	856,091,257
Non-controlling interests		2,002,825	1,848,252	-	-
Total equity		900,619,323	891,205,381	871,856,092	856,091,257
TOTAL LIABILITIES AND EQUITY		1,206,766,530	1,258,670,249	1,081,435,872	1,086,233,200

## Prakit Holdings Public Company Limited and its Subsidiaries

## Statements of Comprehensive Income

For the year ended 31 December 2021

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Notes	2021	2020	2021	2020
REVENUES					
Revenues from rendering of services	23	167,437,208	158,428,746	19,550,622	34,123,471
Commission income	23	136,106,690	125,028,769	100,597,351	90,709,576
Interest income		1,153,836	2,121,926	1,108,118	2,048,796
Dividend income		5,893,451	6,207,432	12,892,401	13,206,383
Management income		1,860,000	1,860,000	3,974,000	4,024,000
Other income		20,280,933	16,657,899	13,103,990	13,338,790
Total revenues		332,732,118	310,304,772	151,226,482	157,451,016
EXPENSES					
Costs of rendering of services		139,863,461	127,678,513	18,669,186	32,192,286
Selling expenses		67,741,888	67,358,567	39,796,912	38,235,998
Administrative expenses		90,649,814	86,227,418	59,224,625	55,469,440
Total expenses		298,255,163	281,264,498	117,690,723	125,897,724
Profit (Loss) before share of net results from investments in joint venture and associated companies		34,476,955	29,040,274	33,535,759	31,553,292
Share of profit (loss) from investments in joint venture and associated companies - equity method		(4,297,280)	(1,322,376)	-	-
Profit (Loss) before income tax		30,179,675	27,717,898	33,535,759	31,553,292
Income tax	26	(7,328,178)	(5,226,594)	(4,607,869)	(3,320,855)
Net profit (loss) for the years		22,851,497	22,491,304	28,927,890	28,232,437
Other comprehensive income (loss):					
Items that will not be reclassified to profit or loss					
Actuarial gain (loss)	19	-	(4,433,738)	-	(2,511,540)
Gain (loss) on measuring of other non-current financial assets		8,388,501	4,147,045	8,388,501	4,147,045
Gain (loss) on sales of other non-current financial assets		4,306,249	(292,820)	4,306,249	(292,820)
Income tax effects		(1,677,700)	57,339	(1,677,700)	(327,101)
		11,017,050	(522,174)	11,017,050	1,015,584
Total comprehensive income (loss) for the years		33,868,547	21,969,130	39,944,940	29,248,021
Profit (Loss) attributable to:					
The Company's shareholders		22,695,874	22,106,426	28,927,890	28,232,437
Non-controlling interests		155,623	384,878	-	-
Net profit (loss) for the years		22,851,497	22,491,304	28,927,890	28,232,437
Total comprehensive income (loss) attributable to:					
The Company's shareholders		33,712,924	21,584,252	39,944,940	29,248,021
Non-controlling interests		155,623	384,878	-	-
Total comprehensive income (loss) for the years		33,868,547	21,969,130	39,944,940	29,248,021
Earnings (Loss) per share					
Basic earnings (loss) per share	27	0.38	0.37	0.48	0.47

## Prakit Holdings Public Company Limited and its Subsidiaries

## Consolidated statement of changes in equity

For the year ended 31 December 2021

Unit : Baht

Notes	Equity attributable to the Company's shareholders									
	Retained earnings				Other components of equity			Equity attributable to the Company's shareholders	Non-Controlling Interests	Total equity
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Fair value changes in financial assets	Currency translation differences	Total other components of equity			
Balance at 1 January 2020	60,450,262	193,568,560	10,000,000	674,974,171	(34,949,959)	-	(34,949,959)	904,043,034	1,343,716	905,386,750
Dividend paid	-	-	-	(36,270,157)	-	-	-	(36,270,157)	(1,050)	(36,271,207)
Total comprehensive income (loss) for the year										
Profit (loss) for the year	-	-	-	22,106,426	-	-	-	22,106,426	384,878	22,491,304
Other comprehensive income (loss)										
Actuarial gain (loss)	-	-	-	(3,546,990)	-	-	-	(3,546,990)	-	(3,546,990)
Others	-	-	-	(292,820)	3,317,636	-	3,317,636	3,024,816	-	3,024,816
Currency translation differences - non controlling interests	-	-	-	-	-	-	-	-	120,708	120,708
Balance at 31 December 2020	60,450,262	193,568,560	10,000,000	656,970,630	(31,632,323)	-	(31,632,323)	889,357,129	1,848,252	891,205,381
Balance at 1 January 2021	60,450,262	193,568,560	10,000,000	656,970,630	(31,632,323)	-	(31,632,323)	889,357,129	1,848,252	891,205,381
Dividend paid	-	-	-	(24,180,105)	-	-	-	(24,180,105)	(1,050)	(24,181,155)
Total comprehensive income (loss) for the year										
Profit (loss) for the year	-	-	-	22,695,874	-	-	-	22,695,874	155,623	22,851,497
Other comprehensive income (loss)	-	-	-	4,306,249	6,710,801	(273,450)	6,437,351	10,743,600	-	10,743,600
Balance at 31 December 2021	60,450,262	193,568,560	10,000,000	659,792,648	(24,921,522)	(273,450)	(25,194,972)	898,616,498	2,002,825	900,619,323

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 2021

Unit : Baht

				Retained earnings		Other components of equity	Total equity
						Fair value changes in financial assets	
Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated			
Balance at 1 January 2020	60,450,262	193,568,560	10,000,000	634,044,530		(34,949,959)	863,113,393
Dividend paid	-	-	-	(36,270,157)		-	(36,270,157)
Total comprehensive income (loss) for the year							
Profit (loss) for the year	-	-	-	28,232,437		-	28,232,437
Other comprehensive income (loss)							
Actuarial gain (loss)	-	-	-	(2,009,232)		-	(2,009,232)
Others	-	-	-	(292,820)		3,317,636	3,024,816
Balance at 31 December 2020	60,450,262	193,568,560	10,000,000	623,704,758		(31,632,323)	856,091,257
Balance at 1 January 2021	60,450,262	193,568,560	10,000,000	623,704,758		(31,632,323)	856,091,257
Dividend paid	-	-	-	(24,180,105)		-	(24,180,105)
Total comprehensive income (loss) for the year							
Profit (loss) for the year	-	-	-	28,927,890		-	28,927,890
Other comprehensive income (loss)	-	-	-	4,306,249		6,710,801	11,017,050
Balance at 31 December 2021	60,450,262	193,568,560	10,000,000	632,758,792		(24,921,522)	871,856,092

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 2021

Unit : Baht

Notes	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit (loss) for the years	22,851,497	22,491,304	28,927,890	28,232,437
<b>Adjustments to net cash from operating activities</b>				
Depreciation	25	12,160,238	12,391,676	11,370,868
Bad debts recovery		-	(19,000)	-
Expected credit loss of receivables (reversal)		(120,797)	1,126,372	(255,139)
Written off withholding tax		4,311,119	4,159,720	-
(Gain) loss on sales of other current financial assets		(16,598,368)	(5,343,318)	(16,008,065)
(Gain) loss on adjustment of fair value of other current financial assets		17,106,557	4,152,775	16,707,026
(Gain) loss on sale of equipment		47,008	(180,966)	13,662
Provisions for employee benefits	19	3,940,410	3,924,761	1,249,379
Revenue from deferred lease right		(1,110,321)	(1,107,287)	(1,110,321)
Dividend income		(5,893,451)	(6,207,432)	(12,892,401)
Interest income		(1,153,836)	(2,121,926)	(1,108,118)
Share of (profit) loss from associated companies and joint venture - equity method		4,297,280	1,322,376	-
Unrealized (gain) loss from exchange rates		12,806	37,694	-
Income tax expense	26	7,328,178	5,226,594	4,607,869
		47,178,320	39,853,343	31,502,650
<b>Changes in operating assets and liabilities</b>				
Trade accounts and other receivables		124,303,484	(19,374,677)	82,625,265
Sale of other current financial assets		173,735,032	182,749,267	143,735,032
Purchase of other current financial assets		(130,700,000)	(69,199,453)	(130,700,000)
Other current assets		2,939,899	(1,298,292)	(707,847)
Other non-current assets		(2,548,274)	(1,671,236)	95,400
Trade accounts and other payables		(58,167,542)	6,680,588	(19,725,161)
Other current liabilities		(6,413,409)	(1,797,741)	(4,726,764)
Employee benefit obligations paid	19	(3,285,935)	(2,839,290)	(627,933)
Cash provided by (used in) operating activities		147,041,575	133,102,509	101,470,642
Income tax paid		(9,408,437)	(9,198,285)	(4,335,297)
Net Cash provided by (used in) operating activities		137,633,138	123,904,224	97,135,345

## Prakit Holdings Public Company Limited and its Subsidiaries

## Statements of Cash Flows

For the year ended 31 December 2021

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Cash flows from investing activities					
Loans to employees	12	-	(200,000)	-	-
Loan repayments from employees	12	90,000	95,000	-	-
Loan repayments from related parties	4.4	-	5,000,000	-	-
Increase in bank deposit used as collateral	9	(30,000,000)	-	-	-
Investments in associated company		(30,000,000)	(149,625,000)	(30,000,000)	(149,625,000)
Investments in other non-current financial assets		(20,352,241)	(14,131,780)	(20,352,241)	(14,131,780)
Proceeds from redemption of other non-current financial assets	10	2,000,000	30,000,000	2,000,000	30,000,000
Proceeds from sales of other non-current financial assets		54,346,336	2,174,029	54,346,336	2,174,029
Purchases of property, plant and equipment	14	(611,665)	(2,761,490)	(320,984)	(967,446)
Proceeds from sale of equipment		-	186,916	9,346	-
Deposit for the purchase of land and building	16	(100,000,000)	-	(100,000,000)	-
Dividend received		5,893,451	6,207,432	12,892,401	13,206,383
Dividend received from joint venture	11	1,260,000	-	-	-
Interest received		1,491,457	2,424,853	1,454,000	2,206,816
Difference from currency translation of foreign subsidiaries' financial statements		(273,450)	120,708	-	-
Net cash provided by (used in) investing activities		(116,156,112)	(120,509,332)	(79,971,142)	(117,136,998)
Cash flows from financing activities					
Dividend paid to shareholders	22	(24,180,105)	(36,270,157)	(24,180,105)	(36,270,157)
Dividend paid to non-controlling interests		(1,050)	(1,050)	-	-
Net cash provided by (used in) financing activities		(24,181,155)	(36,271,207)	(24,180,105)	(36,270,157)
Increase (decrease) in cash and cash equivalents - net		(2,704,129)	(32,876,315)	(7,015,902)	(11,175,927)
Cash and cash equivalents at 1 January		122,339,116	155,215,431	74,495,365	85,671,292
Cash and cash equivalents at 31 December		119,634,987	122,339,116	67,479,463	74,495,365
Additional information					
Unutilized credit facilities for future working capital		42,000,000	42,000,000	1,000,000	1,000,000



## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2021

## 1. General information

Prakit Holdings Public Company Limited (“the Company”), has been incorporated in Thailand and has its registered office at 88 Soi Sukhumvit 62, 3<sup>rd</sup> 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 is Prakit and Associated Co., Ltd (held 24.97%) which has been 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 2021 and 2020 are disclosed in note 11.

**Coronavirus disease 2019 pandemic**

The Coronavirus disease 2019 pandemic is impacting most business and industries, resulting in an economic slowdown. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management continuously monitored the ongoing development and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

## 2. Basis for preparation and presentation of the financial statements

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards which are issued under the Accounting Professions Act B.E.2547, and have been presented under the Accounting Act. B.E.2543, and applicable rules and regulations of the Securities and Exchange Commission under the Securities and Exchange Act.

2.2 Historical cost is used as measurement basis in preparing these financial statements except for some items as indicated in the accounting policy.

2.3 The financial statements of the Group are prepared and presented from the statutory financial statement that are in Thai language and Thai currency. The English version has been prepared from Thai financial statement.

2.4 New and Revised Thai Financial Reporting Standards

2.4.1 The Financial Reporting Standards that have been effective in the current accounting period.

The Group has adopted the new and revised Thai Financial Reporting Standards, Thai Financial Reporting Standard Interpretations and Guidelines promulgated by the Federation of Accounting Professions that have been effective for accounting periods beginning on or after 1 January 2021.

The adoption of these TFRSs does not have any material effect on the Group’s financial statements.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

During the year 2020, the Group has early adopted the temporary exemptions in accordance with TFRS 9 Financial Instruments and TFRS 13 Fair Value Measurement (such temporary exemptions become effective in the current year) which apply to not to take into forward-looking information using in measurement of expected credit loss for a simplified approach and take into the COVID-19 situation as less weight of input used in the valuation techniques for measuring Level 2 and Level 3 fair values of financial assets that are debt instruments, defined in TAS 3.2 Financial Instruments Presentation.

The early adoption of these temporary exemptions does not have any significant impact on the Group's financial statements.

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

The Federation of Accounting Professions has issued Thai Financial Reporting Standards which will be effective for accounting periods beginning on or after 1 January 2022, which the Group have not adopted the above standards before the effective date. Some standard has provided the temporary reliefs or temporary exemptions.

The management of the Group is in the process of assessing the impact on the financial statements in the year that the above standards are applied.

### 2.5 Use of judgements and estimates

In the preparation of financial statements in conformity with Thai Financial Reporting Standards, management applied make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Significant judgements and estimates are as follows:

#### Investment by equity method

- Considering the significant influence of the Group over an investee.

#### Consolidation

- Whether the Group has de facto control over an investee.

#### Revenue recognition

- Determining a bundled services are capable of being distinct.
- Commission revenue : Determining the transaction of the Group acts as an agent in the transaction rather than as a principal.

#### Allowance for expected credit losses of trade receivables

- In determining an allowance for expected credit losses of trade receivables the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic.
- The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will default in the future.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

## Property, plant and equipment/Depreciation

- In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.
- The management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount.
- This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

## Leases

- Assessment that an arrangement contains a lease.
- Whether the Group is reasonably certain to exercise extension options.
- Whether the Group exercises termination options.
- Determining the Group has transferred substantially all the risks and rewards incidental to the ownership of the assets to lessees.
- Determining the incremental borrowing rate to measure lease liabilities.

## Employee benefits

- Measurement of defined employee benefit obligations which related to actuarial assumptions.

## Income tax

- Recognition of deferred tax assets, availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.

## Financial instruments

- Measurement of ECL allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate.
- Determining the fair value of financial instruments on the basis of significant unobservable inputs.

## 3. Significant accounting policies

**3.1 Basis of consolidation**

The consolidated financial statements consisted of the Group's financial statements 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.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

**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.

**3.2 Investments in subsidiaries, associates and joint ventures**

Investment in joint venture, associates and subsidiaries in the separate financial statements of the Company are accounted for using the cost method, while the accounting for investments in joint ventures and associates in the consolidated financial statements is 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 2021

**3.3 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 monetary assets and liabilities of foreign operations are translated to Thai Baht at the exchange rate at reporting date. Property, plant and equipment and share capital are translated at exchange rates at the dates of transactions.

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 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.

**3.4 Cash and cash equivalents**

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

**3.5 Trade and other receivables**

Trade receivables are presented at amount to be receive from customers for services.

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

The Group measure expected credit losses by using a simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

**3.6 Investments**

Investments in subsidiaries in the separate financial statements are accounted for by the cost method less allowance for loss impairment of investment.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

**3.7 Financial assets and financial liabilities****Classification and measurement**

The Group classifies the financial asset depended on the characteristics of the contractual cash flows and the entity's business model, as follows:

**Financial assets - Debt instruments**

- Amortized cost: A financial assets will be measured at amortized cost when the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

**Financial assets - Equity instrument**

- Investment in equity instruments that not held for trading as the financial asset measured at fair value through other comprehensive income. Gains and losses arising from changes in fair value is recognized in other comprehensive income and not subsequently transferred to profit or loss when disposal, it is transferred to retained earnings. Dividends on these investments are recognized in profit or loss.

- Investment in equity instruments that held for trading as the financial asset measured at fair value through profit or loss which are carried in the statement of financial position at fair value. The changes in fair value are recognized in profit or loss. Dividends on these investments are recognized in profit or loss.

The Group are classifying and measure the financial liabilities at amortized cost.

**Derecognition**

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred substantially all the risks and rewards of ownership of the financial assets. The Group derecognize financial liabilities when the obligation under the liabilities is discharged or expires.

**Impairment**

The Group accounts for the expected credit losses on its financial assets carried at amortizes cost and FVOCI without the circumstance that a credit losses. The Group applies the general approach to measurement expected credit losses, except trade receivables applies the simplified approach to measurement expected credit losses.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

**3.8 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.

No depreciation was considered for property investment in land.

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

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

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

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

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

**Subsequent costs**

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

**Depreciation**

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

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

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Land improvement	30	Years
Buildings and improvement	8-30	Years
Leasehold asset 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 and installation.

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

**3.10 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.

**3.11 Leases**

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**The Group as a lessee**

The Group recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.



## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

**Short-term leases and Leases of low-value assets**

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognized as expenses on a straight-line basis over the lease term.

**The Group as a lessor**

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfer substantially all of the risks and rewards accompanying to ownership of the underlying asset.

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognized as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognized over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards accompanying to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognized as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognized as an expense over the lease term on the same basis as the lease income.

**3.12 Impairment**

The Group assess the impairment of assets i.e. investment property, property, plant and equipment and intangible assets whenever there is indication that an asset may be impaired, the impairment will be assessed by estimating the recoverable amount of asset, if it is below the carrying amount of asset, it signs an asset is impairment. The Group will recognize the impairment loss in profit or loss.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

**3.13 Trade and other accounts payables**

Trade and other accounts payable are stated at cost.

**3.14 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.

**3.15 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 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.

**3.16 Provisions**

The Group recognized provisions in the financial statements when it has legal obligation or possible obligation arising from past events, the settlement of which is expected to be made in the amount that can be estimated with sufficient reliability.

**3.17 Revenue**

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

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

**Revenue of services rendered**

Revenue of services rendered is recognised over time when services have been rendered taking into account the stage of completion.. The related costs are recognized in profit or loss when they are incurred.

**Commissions income**

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 is recognized using the straight-line method over the period of lease.

**Dividend income**

Dividend income is recognized when the right to receives dividends established.

**Interest income**

Effective interest rate

**3.18 Expenses****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.

**3.19 Income tax**

Income tax represents the aggregate of current income tax expense and deferred tax.

Current income tax and deferred tax are recognized in profit or loss except for the related items which recognized directly in equity or in other comprehensive income.

Current income tax represents the amount of expected income tax payable or recoverable on the taxable profit or loss for the period, using tax rate 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 2021

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

The measurement of deferred tax reflects the consequences that the Company expects, at the end of the reporting period, to recover or settle the carrying amount.

Deferred tax liabilities are recognized for all income tax payable in the future periods in respect of taxable temporary differences.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the amount that the related tax benefit will be realised.

**3.20 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.

**3.21 Segment reporting**

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

**4. Related parties**

The financial statements included related party transactions with intercompany shareholding or the same group of shareholders, directors or management team. Besides, the related parties are taken into account when one party has the ability to control another party or can exercise significant influence over another party in making financial and operating decisions. Parts of the Group's assets, liabilities, revenues and expenses arose from transactions with the related parties. The effects of these transactions are reflected in the accompanying financial statements on the basis determined in the business practice normally dealt with other parties.

Relationships with the related parties beside subsidiaries and associate companies and joint venture as disclosed in note 11 are as follows :

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

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

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

Transaction	Pricing policies
Service income	The mutually agreed rate
Cost of service	The mutually agreed rate
Sale of asset	The mutually agreed price
Sale of investment property	Appraisal value by independent appraiser
Office rental	Based on the space rate charged to other tenants
Management agreement	The mutually agreed rate
Dividend income	As declared by the invested entities
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 2021

The related party transactions for each of the years ended 31 December 2021 and 2020 are detailed as follows :

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Subsidiary companies				
Management income	-	-	2,114	2,164
Rental income	-	-	3,996	4,113
Dividend income	-	-	6,999	6,999
Commission income	-	-	6,028	5,613
Other income	-	-	622	704
Service income	-	-	144	249
Costs of services	-	-	3,532	1,159
Joint Venture				
Service income	506	962	-	-
Commission income	107	553	107	553
Management income	1,800	1,800	1,800	1,800
Rental income	360	360	360	360
Interest income	-	15	-	-
Other income	71	88	71	88
Costs of services	-	136	-	-
Associated Companies				
Service income	732	-	-	-
Commission income	16	-	16	-
Rental income	-	68	-	68
Other income	121	32	121	32
Other related parties				
Service income	1,870	774	1,121	654
Commission income	592	567	559	567
Management income	60	60	60	60
Rental income	654	654	654	654
Other income	2,410	2,693	106	145
Costs of services	6,183	6,044	387	336
Key management remuneration				
Short-term benefits	24,798	21,554	17,403	14,949
Post-employment benefits	466	537	194	262

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Balances as at 31 December 2021 and 2020 with related parties are detailed as follows :

**4.1 Trade accounts receivable - related parties**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Subsidiary companies				
Prakit Advertising Ltd.	-	-	8,803	10,141
Marketing Drive Worldwide (Thailand) Ltd.	-	-	83	137
Prakit Advertising Co., Ltd. (Myanmar)	-	-	-	4
Joint Venture				
Bangkok Writer and Partners Ltd.	773	916	773	702
Associated Companies				
Direct Response Recruitment (Thailand) Co., Ltd.	85	85	85	85
Sukhumvit 62 Medical Ltd.	559	4	32	4
Other related companies				
Double P Marketing Communications Ltd.	107	146	53	146
62 Content & Design Ltd.	13	-	-	-
DRAFT Advertising (Cambodia) Ltd.	699	296	-	167
Total	2,236	1,447	9,829	11,386
Less : allowance for expected credit loss	-	-	-	-
Net	2,236	1,447	9,829	11,386

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

As at 31 December 2021 and 2020, aging analyses of trade accounts receivable from related parties are detailed as follows :

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Within credit terms	1,935	923	3,811	4,255
Overdue:				
Less than 3 months	216	481	1,637	1,856
3 - 6 months	-	22	2,414	2,182
6 - 12 months	21	21	1,903	3,093
Over 12 months	64	-	64	-
Total	2,236	1,447	9,829	11,386
Less : allowance for expected credit loss	-	-	-	-
Net	2,236	1,447	9,829	11,386

**4.2 Media receivable - related parties**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Subsidiary companies				
Prakit Advertising Ltd.	-	-	68,803	50,915
Marketing Drive Worldwide (Thailand) Ltd.	-	-	-	522
Prakit Advertising Co., Ltd. (Myanmar)	-	-	-	73
Joint Venture				
Bangkok Writer and Partners Ltd.	812	12,285	812	12,285
Associated Company				
Sukhumvit 62 Medical Ltd.	118	-	118	-
Other related companies				
DRAFT Advertising (Cambodia) Ltd.	-	86	-	86
Double P Marketing Communication Ltd.	6,268	9,501	6,268	9,501
Total	7,198	21,872	76,001	73,382
Less : allowance for expected credit loss	-	-	-	-
Net	7,198	21,872	76,001	73,382



## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

As at 31 December 2021 and 2020, aging analyses of media accounts receivable from related parties are detailed as follows :

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Within credit terms	4,436	15,096	35,585	38,608
Overdue:				
Less than 3 months	2,762	6,776	17,254	30,023
3 - 6 months	-	-	8,676	4,477
6 - 12 months	-	-	14,486	274
Over 12 months	-	-	-	-
Total	7,198	21,872	76,001	73,382
Less : allowance for expected credit loss	-	-	-	-
Net	7,198	21,872	76,001	73,382

**4.3 Advances to related parties**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Subsidiary company				
Prakit Advertising Co., Ltd. (Myanmar)	-	-	-	20
Other related company				
DRAFT Advertising (Cambodia) Ltd.	-	23	-	23
	-	23	-	43

**4.4 Short-term loans to a related party**

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

Short-term loans to related party	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Joint Venture				
Balance as at 1 January	-	5,000	-	-
Decrease	-	(5,000)	-	-
Balance as at 31 December	-	-	-	-

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

**4.5 Trade accounts payable - related parties**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Subsidiary companies				
Prakit Advertising Ltd.	-	-	7,887	10,871
Marketing Drive Worldwide (Thailand) Ltd.	-	-	332	-
Prakit Advertising Co., Ltd. (Myanmar)	-	-	10,600	11,533
Other related companies				
62 Content & Design Ltd.	3,855	3,916	604	319
Double P Marketing Communication Ltd.	228	307	228	307
Total	4,083	4,223	19,651	23,030

**4.6 Media accounts payable - related party**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Subsidiary company				
Prakit Advertising Co., Ltd. (Myanmar)	-	-	104	-

**4.7 Billing agent payable - related party**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Other related company				
DRAFT Advertising (Cambodia) Ltd.	4,525	38,286	702	8,408

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

**4.8 Employee expenses payable - related party**

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Subsidiary company				
Prakit Advertising Ltd.	-	-	1,392	1,392

**4.9 Other matters**

Two subsidiary companies have entered into agreements to rent office spaces from the Company for periods of 1 year and 3 years ended December 2021 with the monthly rental rates at Baht 197,000 and Baht 40,000, respectively.

Two related companies have entered into agreements to rent office spaces from the Company for periods of 3 years ending June 2022 and ended December 2021, respectively, with the monthly rental rates at Baht 50,000 and Baht 4,500, respectively.

A subsidiary has entered into an agreement to lease office equipment and vehicle from the Company for a period of 1 year ended December 2021, with the monthly rental rate at Baht 105,738.

A joint-venture company has entered into an agreement to rent office space from the Company for a period of 1 year ended December 2021, with the monthly rental rate at Baht 30,000.

The Company has entered into agreements to provide management services to a subsidiary company for a period of 3 years ended December 2021, with the monthly service rate at Baht 32,000. The Company has also entered into an agreement to provide management service to a joint-venture company for a period of 1 year ended December 2021 with the monthly service rate at Baht 150,000.

**5. Cash and cash equivalents**

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash on hand	1,052	1,496	45	45
Cash at banks – current accounts	10,860	12,000	5,029	8,815
Cash at banks – savings accounts	107,723	108,843	62,405	65,635
Total	119,635	122,339	67,479	74,495

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

## 6. Trade accounts receivable and other receivables

As at 31 December 2021 and 2020, trade accounts receivable and other receivables are detailed as follows :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade accounts receivable				
Trade accounts receivable				
Related parties	2,236	1,447	9,829	11,386
Other companies – net	27,073	27,862	3,534	7,919
Media receivables				
Related parties	7,198	21,872	76,001	73,382
Other companies – net	99,862	187,757	48,179	121,719
Other receivables				
Billing agent receivables	2,418	6,805	307	-
Advances to related parties	-	23	-	43
Advanced payments for media	3,979	15,260	1,726	5,846
Accrued income	40,934	42,046	27,906	28,372
Advanced payments – others	2,336	2,023	35	7
Others	1,915	7,419	950	2,509
Total	187,951	312,514	168,467	251,183

As at 31 December 2021 and 2020, aging analyses of trade accounts receivable from other companies are detailed as follows :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Within credit terms	22,315	18,869	2,456	3,719
Overdue:				
Less than 3 months	4,809	8,959	1,072	4,218
3 - 6 months	14	63	14	-
6 - 12 months	-	91	-	-
Over 12 months	1,526	1,527	4	4
Total	28,664	29,509	3,546	7,941
Less : allowance for expected credit loss	(1,591)	(1,647)	(12)	(22)
Net	27,073	27,862	3,534	7,919

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

As at 31 December 2021 and 2020, aging analyses of media receivables from other companies are detailed as follows :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Within credit terms	64,140	129,982	26,519	66,379
Overdue:				
Less than 3 months	36,462	58,751	21,610	55,707
3 - 6 months	172	-	172	-
6 - 12 months	-	24	-	24
Over 12 months	5,368	5,345	24	-
Total	106,142	194,102	48,325	122,110
Less : allowance for expected credit loss	(6,280)	(6,345)	(146)	(391)
Net	99,862	187,757	48,179	121,719

## 7. Other current financial assets - private fund

Investments in private funds as at 31 December 2021 and 2020 comprise :

	Unit : Thousand Baht	
	Consolidated/ Separate financial statements	
	2021	2020
Managed by SCB Asset Management Co., Ltd.	-	33,018
Managed by Trinity Securities Co., Ltd.	4,495	4,092
Total	4,495	37,110

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.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

As at 31 December 2021 and 2020 , investment in private fund managed by SCB Asset Management Co., Ltd. is consisted of.

	Unit : Thousand Baht	
	Consolidated/ Separate financial statements	
	2021	2020
Investment in private fund - at cost	20,000	20,000
Unrealized gain on fair value adjustment	13,554	13,018
	33,554	33,018
Disposal	(33,554)	-
Total	-	33,018

As at 31 December 2021 and 2020 , 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/ Separate financial statements	
	2021	2020
Cash on hand and at financial institution		
Deposits	-	1,070
Investments in securities - fair value		
Debt securities		
Debentures	-	17,165
Bonds	-	7,061
Open-End Fund	-	7,678
Other assets and liabilities		
Other assets	-	151
Other liabilities	-	(107)
Total	-	33,018

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

On 15 October 2021, the Company redeemed private fund which managed by SCB Asset Management Co., Ltd. In the amounting of Baht 33,553,810 with an initial cost of Baht 20,000,000 and a profit from investment of Baht 13,553,810.

In 2020, the Company invested in another private fund and appointed Trinity Securities Co., Ltd. as the Company's fund management with the initial fund of Baht 3 million. The another Company has set the investment policy by investing in both domestically and internationally in Asia based on the economic and the situation of the invested countries. 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.

As at 31 December 2021 and 2020, investment in private fund managed by Trinity Securities Co., Ltd. is consisted of.

	Unit : Thousand Baht	
	Consolidated/ Separate	
	financial statements	
	2021	2020
Investment – at cost	3,000	-
Disposal	(3,000)	-
Acquisition	5,000	3,000
	5,000	3,000
Unrealized gain (loss) on fair value adjustment	(505)	1,092
Total	4,495	4,092

As at 31 December 2021 and 2020, 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/ Separate	
	financial statements	
	2021	2020
Investments in securities- fair value	4,502	4,098
Other assets and liabilities		
Other liabilities	(7)	(6)
Total	4,495	4,092

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

## 8. Other current financial assets – others

As at 31 December 2021 and 2020 other current financial assets – others are consisted of :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Unit trusts – at cost	179,666	188,102	126,385	105,411
Gain (loss) on fair value adjustment	(839)	1,653	(1,430)	662
Total	178,827	189,755	124,955	106,073

The movements of other current financial assets – others for each of the years ended 31 December 2021 and 2020 are as follows :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Balances at beginning of the years – at cost	188,102	299,309	105,411	221,618
Acquisition	125,700	66,199	125,700	61,199
Disposal	(134,136)	(177,406)	(104,726)	(177,406)
Total	179,666	188,102	126,385	105,411
Gain (loss) on fair value adjustment	(839)	1,653	(1,430)	662
Net	178,827	189,755	124,955	106,073

## 9. Bank deposit used as collateral

	Unit : Thousand Baht			
	Consolidated financial statements			
	2021		2020	
	Amount	Interest Rate	Amount	Interest Rate
Time deposit	30,000	0.20%	30,000	1.85%

In 2021, a subsidiary has guaranteed for a joint venture amounting to Baht 30 million, using the above deposit as collateral.



## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unit : Thousand Baht

	Separate financial statements			
	2021		2020	
	Amount	Interest Rate	Amount	Interest Rate
Time deposit	-	-	30,000	1.85%

In 2021, the Company canceled its guarantee of a joint venture of subsidiary amounting to Baht 30 million and invested in fixed deposit as mention in note 10.

## 10. Other non-current financial assets

Unit : Thousand Baht

As at 31 December 2021

	Consolidated/ Separate financial statements			
	Marketable equity securities	2-year fixed deposit	Non marketable equity securities	Total
Fixed deposit (0.2% p.m.)	-	30,000	-	30,000
Equity Securities - at cost	133,135	-	3,143	136,278
Unrealized gain (loss) on fair value adjustment	(31,152)	-	-	(31,152)
Allowance for impairment	-	-	(3,143)	(3,143)
Total	101,983	-	-	101,983
Net	101,983	30,000	-	131,983

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unit : Thousand Baht

As at 31 December 2020

	Consolidated/ Separate financial statements			
	Marketable equity securities	Held to Maturity	Non marketable equity securities	Total
Debt Securities - at cost	-	22,000	-	22,000
Unrealized gain (loss) on fair value adjustment	-	-	-	-
	-	22,000	-	22,000
Less Current portion of held to maturity debt securities	-	-	-	-
Total	-	22,000	-	22,000
Equity Securities - at cost	142,211	-	3,143	145,354
Unrealized gain ( loss) on fair value adjustment	(39,540)	-	-	(39,540)
Allowance for impairment	-	-	(3,143)	(3,143)
Total	102,671	-	-	102,671
Net	102,671	22,000	-	124,671

Movements of other non-current financial assets for each of the years ended 31 December 2021 and 2020 are as follows :

	Unit : Thousand Baht	
	Consolidated/ Separate financial statements	
	2021	2020
Balances at beginning of the years	167,354	184,318
Invest in fixed deposit	30,000	-
Acquisition	20,964	15,503
Redemption	(2,000)	(30,000)
Sold	(50,040)	(2,467)
Total	166,278	167,354
Loss from impairment	(3,143)	(3,143)
Unrealized gain (loss) on fair value adjustment	(31,152)	(39,540)
Net investments	131,983	124,671
Less Current portion of held to maturity debt securities	-	-
Net	131,983	124,671

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

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

In 2021, the Company redeemed and sold all held-to-maturity debt securities amounting to Baht 20 million at cost to a third party and employee.

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

As at 31 December 2021 :

Unit : Thousand Baht

Consolidated financial statements						
Entitles' Name	Type of business	Paid-up share capital (Baht)	Investment Ownership (%)	Valuation		Dividend received
				Cost method	Equity method	
Associated Companies						
Direct Response Recruitment						
(Thailand) Co., Ltd.	Advertising	2,000,000	49.00	1,421	785	-
Sukhumvit 62 Medical Ltd.	Hospital	1,000,000,000	33.00	330,000	267,028	-
Joint Venture (Held by a subsidiary)						
Bangkok Writer and Partners Ltd.	Advertising	10,000,000	42.00	16,800	23,175	1,260
					290,988	1,260

As at 31 December 2020 :

Unit : Thousand Baht

Consolidated financial statements						
Entitles' Name	Type of business	Paid-up share capital (Baht)	Investment Ownership (%)	Valuation		
				Cost method	Equity	Dividend received
					method	
Associated Companies						
Direct Response Recruitment						
(Thailand) Co., Ltd.	Advertising	2,000,000	49.00	1,421	850	-
Sukhumvit 62 Medical Ltd.	Hospital	926,250,000	31.37	300,000	241,750	-
Joint Venture (Held by a subsidiary)						
Bangkok Writer and Partners Ltd.	Advertising	10,000,000	42.00	16,800	23,946	-
					266,546	-

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Called up capital by an Associated Company

According to the resolution of the Board of Directors No. 5/2019 dated 12 December 2019, Sukhumvit 62 Medical Ltd. called up another 25 Baht per share, amounting to 2,992,500 shares, totaling 74,812,500 Baht. The Company already paid for such shares on 28 February 2020.

According to the resolution of the Board of Directors No. 2/2020 dated 13 May 2020, Sukhumvit 62 Medical Ltd. called up another 25 Baht per share, amounting to 2,992,500 shares, totaling 74,812,500 Baht. The Company already paid for such shares on 28 August 2020.

According to the resolution of the Board of Directors No. 6/2021 dated 12 July 2021. The Company approved the investment in 300,000 shares of Sukhumvit 62 Medical Ltd., 100 Baht per share, totaling 30,000,000 Baht, resulting in the proportion of investment in Sukhumvit 62 Medical Ltd. changed from 31.37% to 33.00%

As at 31 December 2021 and 2020

Unit : Thousand Baht

Separate financial statements									
Entitles’ Name	Type of business	Paid-up share		Investment Ownership		Valuation of investments		Dividend	
		Capital (Baht/ US\$)	(%)		by cost method				
2021	2020	2021	2020	2021	2020				
Subsidiary Companies									
Prakit Advertising Ltd	Advertising	10,000,000	99.99	99.99	9,999	9,999	4,999	4,999	
Marketing Drive Worldwide									
(Thailand) Ltd.	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	-	-	
Total					13,152	13,152			
Associated Companies									
Direct Response Recruitment									
(Thailand) Co., Ltd.	Advertising	2,000,000	49.00	49.00	1,421	1,421	-	-	
		1,000,000,000							
Sukhumvit 62 Medical Ltd.	Hospital	/ 926,250,000	33.00	31.37	330,000	300,000	-	-	
Total					331,421	301,421			
Total					344,573	314,573	6,998	6,998	
Less Allowance for impairment loss					-	-			
Total investments					344,573	314,573			

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

The financial statements of associates and joint ventures and the Group's interests in these entities are as follows:

Unit : Thousand Baht

	Direct Response					
	Recruitment (Thailand)		Bangkok Writer and		Sukhumvit 62	
	Co., Ltd.		Partners Ltd.		Medical Ltd.	
	2021	2020	2021	2020	2021	2020
Total assets	2,537	2,550	97,017	61,201	1,165,061	994,992
Total liabilities	934	814	71,839	34,188	183,878	43,485
Total income	10	25	122,235	143,201	543	1,261
Profit (loss) for the years	(133)	(207)	1,165	54	(14,074)	(3,872)
Share of profit (loss) on equity method	(65)	(102)	489	23	(4,722)	(1,243)
Group share of net asset	785	850	23,175	23,946	267,028	241,750

## 12. Loans to employees

As at 31 December 2021 and 2020, the movements of loans to employees are as follows :

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Balances at beginning of the years	230	125	-	-
Add increase during the years	-	200	-	-
Total	230	325	-	-
Less decrease during the years	(90)	(95)	-	-
Balances at the end of the years	140	230	-	-
Less current portion of due within 1 year	(60)	(90)	-	-
Net	80	140	-	-

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 receivables.

## 13. Investment property

As at 31 December 2021, the investment property represents investment in land for lease at the cost value of Baht 46.22 million (2020 : Baht 46.22 million), while the approximate fair value is approximately Baht 389.73 million (2020 : Baht 387.28 million).

## Measurement of fair value

The fair value of investment property was assessed by an external independent property appraiser. The Group has its policy to reassess the fair value of the Group's investment property for every 3 years.

The fair value measurement for investment property of Baht 389.73 million (2020 : Baht 387.28 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 2021

## 14. Property, plant and equipment

Unit : Thousand Baht

	Consolidated financial statements							
	Land	Buildings and improvement	Land improvement	Leasehold asset improvement	Furniture and fixtures	Office equipment	Vehicles	Total
At Cost								
As at 1 January 2020	54,811	95,032	2,699	55	32,185	25,108	13,640	223,530
Purchases	-	-	-	-	21	1,149	1,591	2,761
Disposals	-	-	-	-	-	(27)	(1,729)	(1,756)
As at 31 December 2020 / 1 January 2021	54,811	95,032	2,699	55	32,206	26,230	13,502	224,535
Purchases	-	-	-	-	-	612	-	612
Disposals	-	-	-	-	(19)	(521)	-	(540)
As at 31 December 2021	54,811	95,032	2,699	55	32,187	26,321	13,502	224,607
Accumulated depreciation								
As at 1 January 2020	-	79,117	2,080	53	17,898	17,005	8,268	124,421
Depreciation for the year	-	4,085	90	2	4,502	2,480	1,232	12,391
Disposals	-	-	-	-	-	(21)	(1,729)	(1,750)
As at 31 December 2020 / 1 January 2021	-	83,202	2,170	55	22,400	19,464	7,771	135,062
Depreciation for the year	-	4,085	90	-	4,300	2,352	1,333	12,160
Disposals	-	-	-	-	(19)	(474)	-	(493)
As at 31 December 2021	-	87,287	2,260	55	26,681	21,342	9,104	146,729
Net book Value								
As at 31 December 2020	54,811	11,830	529	-	9,806	6,766	5,731	89,473
As at 31 December 2021	54,811	7,745	439	-	5,506	4,979	4,398	77,878

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unit : Thousand Baht

	Separate financial statements						
		Buildings and	Land	Furniture and	Office		
At Cost	Land	improvement	improvement	fixtures	equipment	Vehicles	Total
As at 1 January 2020	54,811	95,032	2,699	31,627	21,794	10,977	216,940
Purchases	-	-	-	21	935	12	968
Disposals	-	-	-	-	-	-	-
As at 31 December 2020 / 1 January 2021	54,811	95,032	2,699	31,648	22,729	10,989	217,908
Purchase	-	-	-	-	321	-	321
Disposal	-	-	-	(20)	(276)	-	(296)
As at 31 December 2021	54,811	95,032	2,699	31,628	22,774	10,989	217,933
Accumulated depreciation							
As at 1 January 2020	-	79,117	2,080	17,624	14,282	6,291	119,394
Depreciation for the year	-	4,085	90	4,436	2,199	953	11,763
Disposals	-	-	-	-	-	-	-
As at 31 December 2020 / 1 January 2021	-	83,202	2,170	22,060	16,481	7,244	131,157
Depreciation for the year	-	4,085	90	4,235	2,067	894	11,371
Disposals	-	-	-	(19)	(254)	-	(273)
As at 31 December 2021	-	87,287	2,260	26,276	18,294	8,138	142,255
Net book Value							
As at 31 December 2020	54,811	11,830	529	9,588	6,248	3,745	86,751
As at 31 December 2021	54,811	7,745	439	5,352	4,480	2,851	75,678

As at 31 December 2021 and 2020, certain portions of land and buildings at the value of Baht 62.56 million and Baht 66.64 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 2021

## 15. Deferred tax

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets	18,117	19,464	11,075	12,599
Deferred tax liabilities	1,732	(1,689)	1,851	(1,490)
Net	19,849	17,775	12,926	11,109

Movements in deferred tax assets and liabilities during for the years ended 31 December 2021 and 2020 are detailed as follows :

Unit : Thousand Baht

	Consolidated financial statements			
	(Charged) / Credited to:			
	Profit or	Other	Recognized	
	loss	comprehen-	direct to	
1 January 2021		sive income	Equity	31 December 2021
<b>Deferred tax assets</b>				
Trade accounts receivable	1,284	-	-	1,284
Allowance for expected credit loss	-	199	-	199
Financial assets at profit or loss	628	-	-	628
Financial assets at FVOCI	7,908	(1,678)	-	6,230
Employee benefit obligations	9,644	132	-	9,776
Total	19,464	331	-	18,117
<b>Deferred tax liabilities</b>				
Financial assets at FVOCI	1,689	(3,421)	-	(1,732)
Total	1,689	(3,421)	-	(1,732)
Net	17,775	3,752	-	19,849



## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unit : Thousand Baht

Consolidated financial statements				
	(Charged) / Credited to:		Recognized	
	Profit or	Other	direct to	
1 January 2020	loss	comprehen- sive income	Equity	31 December 2020
<b>Deferred tax assets</b>				
Trade accounts receivable	1,287	(3)	-	1,284
Financial assets at profit or loss	628	-	-	628
Financial assets at FVOCI	8,737	-	(829)	7,908
Employee benefit obligations	8,541	217	886	9,644
Total	19,193	214	57	19,464
<b>Deferred tax liabilities</b>				
Financial assets at FVOCI	2,519	(830)	-	1,689
Total	2,519	(830)	-	1,689
Net	16,674	1,044	57	17,775

Unit : Thousand Baht

Separate financial statements				
	(Charged) / Credited to:		Recognized	
	Profit or	Other	direct to	
1 January 2021	loss	comprehen- sive income	Equity	31 December 2021
<b>Deferred tax assets</b>				
Allowance for expected credit loss	-	30	-	30
Financial assets at profit or loss	628	-	-	628
Financial assets at FVOCI	7,907	-	(1,677)	6,230
Employee benefit obligations	4,064	123	-	4,187
Total	12,599	153	(1,677)	11,075
<b>Deferred tax liabilities</b>				
Financial assets at FVOCI	1,490	(3,341)	-	(1,851)
Total	1,490	(3,341)	-	(1,851)
Net	11,109	3,494	(1,677)	12,926

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unit : Thousand Baht

	Separate financial statements			
	(Charged) / Credited to:			
	Profit or	Other	Recognized	
1 January 2020	loss	comprehen-	direct to	31 December 2020
		sive income	Equity	
<b>Deferred tax assets</b>				
Financial assets at profit or loss	628	-	-	628
Financial assets at FVOCI	8,736	-	(829)	7,907
Employee benefit obligations	3,560	2	502	4,064
Total	12,924	2	(327)	12,599
<b>Deferred tax liabilities</b>				
Financial assets at FVOCI	2,422	(932)	-	1,490
Total	2,422	(932)	-	1,490
Net	10,502	934	(327)	11,109

## 16. Deposits for land and building

According to the Board of Directors Meeting No.8/2021, held on 28 September 2021, it was resolved that the Company to purchase land and an 8-storey office buildings at Soi Sukhumvit 62, Bangkok at a total purchase price of Baht 223 million from Seven Utilities and Power Public Company Limited. The Company has paid Baht 100 million as a deposit for secure the property on the date of signing the contract.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

## 17. Trade accounts and other payables

As at 31 December 2021 and 2020, trade accounts payable and other payables are consisted of :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade accounts payable				
Trade accounts and notes payable				
Related parties	4,083	4,223	19,651	23,030
Other companies	43,932	58,505	3,155	17,791
Media and notes payable				
Related parties	-	-	104	-
Other companies	139,404	145,014	118,227	111,471
Total	187,419	207,742	141,137	152,292
Other payables				
Billing agent payable - related parties	4,525	38,286	702	8,408
Staff expenses payable - related parties	-	-	1,392	1,392
Share payable	1,983	1,372	1,983	1,372
Deposits received	21,098	23,335	14,585	13,661
Accrued expenses	1,796	1,802	1,360	1,303
Others	2,880	4,720	2,721	4,567
Total	32,282	69,515	22,743	30,703
Total trade accounts and other payables	219,701	277,257	163,880	182,995

## 18. Deferred lease right

As at 31 December 2021 and 2020, movements of deferred lease right are as follows :

	Unit : Thousand Baht	
	Consolidated/ Separate	
	financial statements	
	2021	2020
Deferred lease right	9,680	10,788
Recognised as earnings during the years	(1,110)	(1,108)
Net	8,570	9,680

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

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

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

## 19. Employee benefit obligations

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Defined benefit obligations at 1 January	48,221	42,702	20,313	17,790
Actuarial loss	-	4,433	-	2,511
Current service cost recognized in profit or loss	3,450	3,283	1,062	986
Interest on obligation recognized in profit or loss	490	642	187	271
Defined benefit obligations paid	(3,286)	(2,839)	(628)	(1,245)
Defined benefit obligations at 31 December	48,875	48,221	20,934	20,313

As at 31 December 2021, the weighted-average duration of the defined benefit obligation of the Company was 9 years and the subsidiaries were 9 - 16 years).

Actuarial assumptions at the reporting date are detailed as follows :

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(%)			
Discount rate	1.09-1.49	1.09-1.49	1.09	1.09
Turnover rate	4.78-34.38	4.78-34.38	5.73-34.38	5.73-34.38
Future salary increases	3.00	3.00	3.00	3.00
Mortality rate	According to 2017 Thailand Mortality Ordinary Life Table			

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

## Sensitivity analysis

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

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
<b>Defined benefit obligation 31 December 2021</b>	Increase	Decrease	Increase	Decrease
Discount Rate (1.00% movement)	(2,758)	3,080	(1,176)	1,298
Salary Increase Rate (1.00% movement)	3,467	(3,157)	1,449	(1,331)
Turnover Rate (20.00% movement)	(3,779)	4,326	(1,733)	1,995

## 20. Share Capital

Unit : Thousand shares/Thousand Baht				
Par value (Baht)	2021		2020	
	No. of share	Baht	No. of share	Baht
<b>Shares registered</b>				
As at 1 January	94,439	94,439	94,439	94,439
As at 31 December	94,439	94,439	94,439	94,439
<b>Issued and paid-up shares</b>				
As at 1 January	60,450	60,450	60,450	60,450
As at 31 December	60,450	60,450	60,450	60,450

## 21. Capital surplus and reserves

## Share premium

Section 51 of the Public Companies Act B.E. 1992 requires the Company 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 the 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.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

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 other non-current financial assets**

The fair value changes in other non-current financial assets account within equity comprises the cumulative net change in the fair value of other non-current financial assets until derecognized .

22. Dividend

The Company

The Annual General Meeting of the Company's No.1/2021 held on 26 April 2021 passed a resolution to pay dividend at the rate of Baht 0.40 per share , amounting to Baht 24.18 million and was paid on 21 May 2021.

Subsidiaries

The Annual Shareholders' Meeting of 2 subsidiaries No.1/2021 held on 27 April 2021 and 28 April 2021 passed their resolutions to pay dividend at the rate of Baht 50 per share and Baht 100 per share, respectively, amounting to Baht 5 million and Baht 2 million, respectively, and were paid on 25 May 2021.

Joint venture

The Annual Shareholders' Meeting of joint venture No.1/2021 held on 26 March 2021 passed their resolutions to pay dividend at the rate of Baht 30 per share , amounting to Baht 3 million and was be paid on 9 April 2021.

23. 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 2021

Information in reportable segment in the consolidated financial statement information for each of the year ended 31 December 2021 and 2020 are as follows :

	Unit : Million Baht							
	Service income		Commission income		Investment income		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenues	167	158	136	125	7	10	310	293
Profit for reportable segments	28	31	68	58	7	10	103	99
Unallocated other income							18	15
Unallocated expenses							(91)	(86)
Profit before income tax							30	28

	Unit : Million Baht							
	Service income		Commission income		Investment income		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Total assets for reportable segments	29	31	109	215	576	648	714	894
Other unallocated assets	-	-	-	-	-	-	493	364
Total assets	29	31	109	215	576	648	1,207	1,258

Information relating to geographical segments in the consolidated financial statements for each of the years ended 31 December 2021 and 2020 are as follows :

	Unit : Million Baht					
	Domestic		Overseas		Total	
	2021	2020	2021	2020	2021	2020
Commission , services and investment income	302	275	8	18	310	293
Profit for reportable segment	102	97	1	2	103	99
Total assets for reportable segment	1,168	1,209	39	49	1,207	1,258

## 24. Provident fund

The Group 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 2021 and 2020, the Group contributed to the fund in the amounts of Baht 5.39 million and Baht 1.23 million, respectively.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

## 25. Expense classification

Significant expenses classified by nature are consisted of :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Employee expenses	150,368	139,649	65,212	59,438
Costs of services	139,863	127,678	18,669	32,192
Depreciation (Note 14)	12,160	12,392	11,371	11,763

## 26. Income tax

Income tax for the years ended 31 December 2021 and 2020 are as follows :

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax	11,080	6,271	8,103	4,255
Deferred income tax	(3,752)	(1,044)	(3,495)	(934)
Total	7,328	5,227	4,608	3,321

Income tax recognized in other comprehensive income :

	Unit: Thousand Baht					
	Consolidated financial statements					
	2021			2020		
	Tax (expense)			Tax (expense)		
	Before tax	benefit	Net of tax	Before tax	benefit	Net of tax
Other non-current financial assets	8,389	(1,678)	6,711	4,147	(829)	3,318
Gain (loss) on sales of other non-current financial assets	4,306	-	4,306	(293)	-	(293)
Employee benefit obligations	-	-	-	(4,433)	886	(3,547)
Total	12,695	(1,678)	11,017	(579)	57	(522)



## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unit: Thousand Baht

	Separate financial statements					
	2021			2020		
	Tax			Tax		
	(expense)			(expense)		
	Before tax	benefit	Net of tax	Before tax	benefit	Net of tax
Other non-current financial assets	8,389	(1,678)	6,711	4,147	(829)	3,318
Gain (loss) on sales of other non-current financial assets	4,306	-	4,306	(293)	-	(293)
Employee benefit obligations	-	-	-	(2,511)	502	(2,009)
Total	12,695	(1,678)	11,017	1,343	(327)	1,016

Reconciliation between the average effective tax rate and the applicable tax rate for the years ended 31 December 2021 and 2020, are as follows :

Unit : Thousand Baht

	Consolidated financial statements			
	2021		2020	
	Rate (%)	Amount	Rate (%)	Amount
Profit before income tax expense		30,180		27,718
Income tax using the Thai corporation tax rate	20.00	6,036	20.00	5,543
Effect From elimination with subsidiaries		2,673		1,695
Exemption of income/Additional expenses allowed		(2,957)		(3,563)
Expenses not deductible for tax purposes and others		5,328		2,596
Current income tax		11,080		6,271
Movements in temporary differences		(3,752)		(1,044)
Income tax expenses	24.28	7,328	18.86	5,227

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unit : Thousand Baht

	Separate financial statements			
	2021		2020	
	Rate (%)	Amount	Rate (%)	Amount
Profit before income tax expense		33,536		31,553
Income tax using the Thai corporation tax rate	20.00	6,707	20.00	6,311
Exemption of income/Additional expenses allowed		(2,954)		(3,140)
Expenses not deductible for tax purposes and others		4,350		1,084
Current income tax		8,103		4,255
Movements in temporary differences		(3,495)		(934)
Income tax expenses	13.74	4,608	10.53	3,321

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

## 27. Earnings per share

The calculation of basic earnings per share for each of the years ended 31 December 2021 and 2020 is based on the profit for each year attributable to shareholders 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	
	2021	2020	2021	2020
Profit attributable to ordinary shareholders of the Company	22,696	22,106	28,928	28,232
Number of ordinary shares outstanding	60,450	60,450	60,450	60,450
Basic earnings per share (Baht)	0.38	0.37	0.48	0.47

## 28. Financial instruments

**28.1 Financial risk management policies**

The Group's board of directors manages the financial risks for the establishment and oversight of the risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The risk reports identifies risk factors based on their level and potential impact. These risks include credit risk, interest rate risk, foreign exchange risk and, liquidity risk.

The Risk Management Committee will report regularly to the board of directors on its activities.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

## Credit risk

Credit risk refers to the risk that counterparty will default on its agreement and conditions resulting in collection losses to the Group. Credit limit is granted for a specific credit amount and is being monitored regularly. Furthermore, the Group manage the risk by adopting the policy of only dealing with creditworthy counterparty and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial losses from defaults.

## Interest rate risk

Interest rate risk arises from the potential change in market interest rates to having affected the value of the financial assets and liabilities of the Group. Financial assets and liabilities interest rates are mainly adjust in accordance to market rate or are fixed which is close to current market rate.

The Group has the significant financial assets and liabilities are classified by type of interest rate, and the fixed interest rates are classified based on the maturity date or the date of new interest rate is applied, whichever is earlier.

As at 31 December 2021, significant financial assets and liabilities of the Group 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	-	-	-	107,723	11,912	119,635	0.10
Trade and other receivables	-	-	-	-	187,951	187,951	-
Other current financial assets	-	-	-	-	183,322	183,322	-
Bank deposit used as collateral	30,000	-	-	-	-	30,000	0.20
Other non-current financial assets	-	30,000	-	-	101,983	131,983	0.20
Financial liabilities							
Trade and other payables	-	-	-	-	219,701	219,701	-

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

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	-	-	-	62,405	5,074	67,479	0.10
Trade and other receivables	-	-	-	-	168,467	168,467	-
Other current financial assets	-	-	-	-	129,450	129,450	-
Other non-current financial assets	-	30,000	-	-	101,983	131,983	0.20
Financial liabilities							
Trade and other payables	-	-	-	-	163,880	163,880	-

As at 31 December 2020, significant financial assets and liabilities of the Group 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	-	-	-	108,843	13,496	122,339	0.25
Trade and other receivables	-	-	-	-	312,514	312,514	-
Other current financial assets	-	-	-	-	226,865	226,865	-
Bank deposit used as collateral	30,000	-	-	-	-	30,000	1.85
Other non-current financial assets	-	22,000	-	-	102,671	124,671	2.80-6.80
Financial liabilities							
Trade and other payables	-	-	-	-	277,257	277,257	-

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

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	-	-	-	65,635	8,860	74,495	0.25
Trade and other receivables	-	-	-	-	251,183	251,183	-
Other current financial assets	-	-	-	-	143,183	143,183	-
Bank deposit used as collateral	30,000	-	-	-	-	30,000	1.85
Other non-current financial assets	-	22,000	-	-	102,671	124,671	2.80-6.80
Financial liabilities							
Trade and other payables	-	-	-	-	182,995	182,995	-
Foreign currency risk							

The Group's exposure to foreign currency risks relating to purchase and sell which are denominated in foreign currency. The Group's management believes that foreign exchange rate risk will have no material effect to their operations.

As at 31 December 2021 and 2020, the Group is exposed to foreign exchange rate risk. As a result of having financial assets and liabilities denominated in foreign currencies as follows :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Myanmar Kyat</b>				
Cash and cash equivalents	20,284	7,633	-	-
Trade and other receivables	16,898	39,040	-	-
Other payables	(27,234)	(36,393)	-	-
Risky statement of financial position accounts	9,948	10,280	-	-

## 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.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

**28.2 Fair values measurement**

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Further information about the fair value assumptions is disclosed in the notes relating to those assets and liabilities.

Financial assets and financial liabilities with short-term maturities, are stated in the statement of financial position approximating their fair value.

The carrying amounts and fair values of financial assets and financial liabilities by category as at 31 December 2021 and 2020 are as follows :

As at 31 December 2021	Consolidated financial Statements				
	Fair value				Unit: Million Baht
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total book value	Fair value
<b>Financial assets</b>					
Cash and cash equivalents	120	-	-	120	120
Trade and other receivables	-	-	188	188	188
<b>Other current financial assets</b>					
Private fund	4	-	-	4	4
Unit trusts	179	-	-	179	179
Bank deposit held as collateral	30	-	-	30	30
<b>Other non-current financial assets</b>					
Investment in marketable equity					
Securities	-	102	-	102	102
Time deposit 2 years	30	-	-	30	30
<b>Financial liabilities</b>					
Trade accounts and other payables	-	-	220	220	220

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unit: Million Baht

As at 31 December 2021

	Separate financial Statements				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total book value	Fair value
Financial assets					
Cash and cash equivalents	67	-	-	67	67
Trade and other receivables	-	-	168	168	168
Other current financial assets					
Private fund	4	-	-	4	4
Unit trusts	125	-	-	125	125
Other non-current financial assets					
Investment in marketable equity					
Securities	-	102	-	102	102
Time deposit 2 years	30	-	-	30	30
Financial liabilities					
Trade accounts and other payables	-	-	164	164	164

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unit: Million Baht

As at 31 December 2020

As at 31 December 2020	Consolidated financial Statements				
	Fair value	Fair value			
	through	through other	Amortized	Total book	
	profit or loss	comprehensive income	cost	value	Fair value
Financial assets					
Cash and cash equivalents	122	-	-	122	122
Trade and other receivables	-	-	312	312	312
Other current financial assets					
Private fund	37	-	-	37	37
Unit trusts	190	-	-	190	190
Bank deposit held as collateral	30	-	-	30	30
Other non-current financial assets					
Investment in held to maturity debt securities	-	-	22	22	22
Investment in marketable equity Securities	-	103	-	103	103
Financial liabilities					
Trade accounts and other payables	-	-	277	277	277



## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

Unit: Million Baht

As at 31 December 2020

	Separate financial Statements				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total book value	Fair value
Financial assets					
Cash and cash equivalents	74	-	-	74	74
Trade and other receivables	-	-	251	251	251
Other current financial assets					
Private fund	37	-	-	37	37
Unit trusts	106	-	-	106	106
Bank deposit held as collateral	30	-	-	30	30
Other non-current financial assets					
Investment in held to maturity debt securities	-	-	22	22	22
Investment in marketable equity Securities	-	103	-	103	103
Financial liabilities					
Trade accounts and other payables	-	-	183	183	183

## Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows :

Level 1 Use of quoted market prices in an active market for such assets or liabilities.

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly.

Level 3 Use of unobservable inputs such as estimates of future cash flows.

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

The following financial assets and liabilities are measured at fair value at 31 December 2021 :

Unit: Thousand Baht

	Consolidated financial Statements			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Other current financial assets</b>				
Private fund	-	4,495	-	4,495
Unit trusts	-	178,827	-	178,827
<b>Other non-current financial assets</b>				
Marketable equity securities	101,983	-	-	101,983
Held to maturity debt securities	-	-	-	-
Time deposit 2 years	-	30,000	-	30,000
Total assets	101,983	213,322	-	315,305

Unit: Thousand Baht

	Separate financial Statements			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Other current financial assets</b>				
Private fund	-	4,495	-	4,495
Unit trusts	-	124,955	-	124,955
<b>Other non-current financial assets</b>				
Marketable equity securities	101,983	-	-	101,983
Held to maturity debt securities	-	-	-	-
Time deposit 2 years	-	30,000	-	30,000
Total assets	101,983	159,450	-	261,433

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

The following financial assets and liabilities are measured at fair value at 31 December 2020 :

Unit: Thousand Baht				
Consolidated financial Statements				
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Other current financial assets</b>				
Private fund	-	37,110	-	37,110
Unit trusts	-	189,755	-	189,755
<b>Other non-current financial assets</b>				
Marketable equity securities	102,671	-	-	102,671
Held to maturity debt securities	-	22,000	-	22,000
Total assets	102,671	248,865	-	351,536
Unit: Thousand Baht				
Separate financial Statements				
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Other current financial assets</b>				
Private fund	-	37,110	-	37,110
Unit trusts	-	106,073	-	106,073
<b>Other non-current financial assets</b>				
Marketable equity securities	102,671	-	-	102,671
Held to maturity debt securities	-	22,000	-	22,000
Total assets	102,671	165,183	-	267,854

There was no transfer between the fair value levels in this accounting period.

## Valuation Method for Measurement of Fair Value

Level 1 Fair value of marketable equity instruments are based on the closing price by reference to the Stock Exchange of Thailand.

Level 2 The fair value of investments in debt instrument is determined by using the net asset value as announced by Assets Management Companies.

Level 3 The fair values of non-marketable equity instruments are based on adjusted the asset method whereby the information is reasonably available.

## Prakit Holdings Public Company Limited and its Subsidiaries

## Notes to the financial statements (Continued)

For the year ended 31 December 2021

## 29. 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 2021 and 2020, debt-to-equity ratios in the consolidated financial statement are 0.34:1 and 0.41:1, respectively, and in the separate financial statements are 0.24:1 and 0.27:1, respectively.

## 30. Commitments

As at 31 December 2021, the Company had commitments, which were not disclosed in other places in these financial statements, as follows :

The Group has obtained overdraft lines with several banks amounting to Baht 69.5 million by mortgage of and pledged land and building of the Company and bank deposits of a subsidiary company and of directors as collateral and also directors of the Company and its subsidiary as guarantees.

The Company has pledged certain land and buildings as collateral for promissory notes, contract guarantee and bid bonds obtaining from banks for the joint venture in the amount of Baht 80 million.

A subsidiary has pledged its fixed deposits as mentioned in Note 9 as collateral for contract guarantee of a joint venture in the amount of Baht 7.5 million.

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.

## 31. Other information

As at 31 December 2021 and 2020, net asset per share in the consolidated financial statements are Baht 14.87 per share and Baht 14.71 per share, respectively, and are Baht 14.42 per share and Baht 14.16 per share, respectively, in the separate financial statements.

## 32. Approval of financial statement

These financial statements have been authorized for issue by the Board of Directors on 24 February 2022 .



Part 4

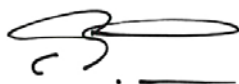



# Certification of Correct Data

## Certification of Correct Data

The Company has examined the contents of data and information contained in this annual report with caution and certify that the information is accurate, complete and true and does not mislead any person or fail to disclose any material facts. Besides, the Company also certified that

- (1) The financial statement and financial information summary contained in this annual report is accurate, complete and true and does not mislead any material information of financial status, operating results and cash flows of the Company and its subsidiaries.
- (2) The company has efficient information disclosure system to ensure that the company has disclosed the information that is important to both the company and its subsidiaries correctly and completely, as well as supervising the implementation of the system.
- (3) The Company has efficient internal control system and ensure the compliance with the system. The Company has reported the internal control assessment information as of December 31, 2021 to the auditor and the Audit Committee. This covers deficiencies, significant changes in the internal control system and wrongful acts that may affect the preparation of financial reports of the Company and its subsidiaries.

For verification that copies of all documents certified by the Company contain similar contents, The Company has authorized Ms. Wichuda Grairithikul to sign this document on every page. If any document does not have the signature of Ms. Wichuda Grairithikul, it shall be deemed that such document is not duly certified by The Company.

Name	Position	Signature
1. Mr. Prakit Apisarnthanarax	President	
2. Mr. Phisal Prahasdadangkura	Vice President	
3. Mr. Apirak Apisarnthanarak	Managing Director	
4. Mr. Preecha Chaochotechuang	Director	

Name	Position	Signature
Ms. Wichuda Grairithikul	Chief Financial Officer	



Prakit Holdings Public Company Limited

