

Univentures Public Company Limited

ANNUAL REPORT

2007



univentures

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Financial Highlights

For year ended 31 December

		2007	2006	2005
Operating Results				
Sales	THB million	1,361.22	1,318.64	749.57
Net Revenues	THB million	1,537.31	1,558.96	1,107.23
Costs of Sales	THB million	1,185.16	1,153.40	682.99
Gross Profit	THB million	176.06	165.24	66.58
Net Profit	THB million	100.95	146.41	117.98
Financial Position				
Total Assets	THB million	2,159.50	1,555.86	1,501.11
Total Liabilities	THB million	221.84	158.11	235.65
Issued and Paid-up Share Capital	THB million	762.27	530.46	527.67
Total Shareholders' Equity	THB million	1,937.66	1,397.75	1,265.46
Cash	THB million	825.08	312.86	191.01
Data per Share				
Earning per share	THB	0.16	0.28	0.22
Dividend per share	THB	0.10	0.10	0.10
Book Value per share	THB	2.54	2.63	2.40
Par Value per share	THB	1.00	1.00	1.00
Financial Ratios				
Gross Profit Margin	%	12.93	12.53	8.88
Total Asset Turnover	times	0.83	1.02	0.73
Return on Assets	%	8.53	12.93	9.14
Return on Equity	%	6.05	10.99	9.56
Net Debt to Equity	times	0.11	0.11	0.19
Inventory Period	days	32	28	42
Receivable Collection Period	days	59	52	64
Payable Payment Period	days	9	3	12
Growth Rate				
Total Assets	%	38.80	3.65	(3.21)
Total Liabilities	%	40.30	(32.90)	(32.42)

Message from the Chairman



Since 2006 Thailand has suffered a considerable economic and investment slowdown, as can be seen from the adjustment of GDP of 2005 and 2006 which was reduced from that of 2004 at 6 percent to remain at 4.5 percent and 5 percent respectively. Not only the economic and political problems that have sent direct impacts, but also various influential factors, such as the fluctuations of oil prices, gold prices, or signals of economic slowdown of the United States of America, have all negatively diminished the confidence of the investors of both locally and abroad. The management of capital market under the borderless world will become more and more complicated and difficult. Hence, the business operators must be ready in term of capital strength and must also adjust themselves to be of good potential at all times.

It is then a pleasure that Univentures Public Company Limited has adjusted its shareholders structure in the past year, so as to create readiness and strength to support its business plans in order to become a leading realstate development company, whereby the rents from the commercial project on the Wireless Road-Ploenchit Road Intersection on a 5-Rai land plot would be an important source of income of the company in the near future. Besides the incomes from long-term projects, the Company also increases its shareholding proportion in the Grand Unity Development Company Limited to 60 percent, in order to develop residential projects for sale, and it is expected that the income from this part could be realized in the middle of 2009 onwards.

Although the result of operations of the Company in the past year of 2007 was lower than that of the previous year by 31.05 percent or a reduction from Baht 146.40 million to Baht 100.95 million, the company is ready to stage a comeback by creating more incomes and profits in the near future, mainly via the shareholders restructuring and the investment proportion in the joint investment company above-mentioned.

In the capacity of the Chairman of the Company, I wish to take this opportunity to thank all customers and shareholders alike who have rendered excellent supports to the company throughout, and I also wish to extend my heartfelt thanks to the Board of Directors, the Management, and all staff who have committed and dedicated to hardworking for the company and who have jointly helped managed this organization to be a good governance listed company.

A handwritten signature in black ink, reading "Potjaneer Thanavarant". The signature is written in a cursive style.

Miss Potjaneer Thanavarant
Chairman of the Board

Message from President



The past year of 2007 is no doubt a year of a major change of the Univentures Public Company Limited. It is a significant change of both the shareholders structure and the business strategies of the Company in the future. That is to say, the old major shareholders had sold their shares to Adelfos Company Limited, a company whose shares are held by Khun Thapana Sirivadhanabhakdi and Khun Panot Sirivadhanabhakdi, and the Company readily issued new capital increase shares, thereby causing the shareholding ratio of Adelfos Company Limited now stands at 51.29 percent. This new shareholders group will help build up financial strength for the Company in an effort to develop a project on a 5-Rai land located on Wireless Road and Ploenchit Road Intersection, which is a central location and has high business potential, whereby the said project under development will comprise hotel, office building and shops of international standards, which would attract incomes from rents to the Company in the long-term period from the leasing right on this land for 30 years. The period of construction is estimated at 4 years. The initial project value is approximately Baht 4,000 million.

Aside from the shareholders restructuring and the acquirement of leasing right to develop the said project, the Company has also proceeded with the shareholders restructuring of Grand Unity Development Company Limited, which operates real estate development business, from the previous ratio of 33.33 percent to 60 percent, with L.P.N. Development Public Company Limited and Yaowawong Company Limited holding shares equally at the ratio of 20 percent each. This restructuring will enable the Company to be the major shareholder, which would in turn render good results to the joint venture, as the Company would be able to set its business directions much more clearer, and it would also help the Company earn incomes from the real estate development for sales in addition to rents which would derive from the Wireless and Ploenchit Intersection corner project in the next 3-4 years. It is noteworthy to say that Grand Unity Development Company Limited has experience and expertise in the development of both horizontal and vertical condominium buildings of a total value more than Baht 5,700 million.

Nevertheless, the above-said changes are regarded as a very important turning point, so that the Company be ready to surge forward as a leading real estate development company in the future, according to its intention of having shifted its business sector from petrochemicals and chemicals sector to property development sector since 2006. The Company therefore has a plan to increase manpower and work system to support its business expansion in the next 1-2 years.

Worries on economic recession and political problems appear to be an ongoing issue, and this is in line with the fact that why the Company had slowed down its plans to buy projects or lands for development in the past year. The Company expects that there will be financially plagued projects owing to weaknesses of the operators. This however will be a good opportunity for the Company to consider and make investments in various projects facing financial problems. As for the past year results of operations, mostly it came from the business of production of zinc oxide, as a result of positive factors from the expansion of production, increased zinc prices in the world market, and production capacity expansion of domestic car tire factories. The Company foresees that the world market zinc prices will decline as compared to the year before and will be less fluctuating. Nevertheless, there may be some factors that could affect the prices, for example, a speculation of the fund.

Last but not least, I, The Management, and the staff of the Univentures Public Company Limited and its subsidiary companies, wish to extend their sincere thanks to the customers, the shareholders, other concerned persons, and all of our business allies, who have all entrusted and supported the Company's operations throughout. The Management and the staff are determined and committed to jointly performing our duties in order to make this organization prosper and to transparently create the best returns possible to all shareholders.

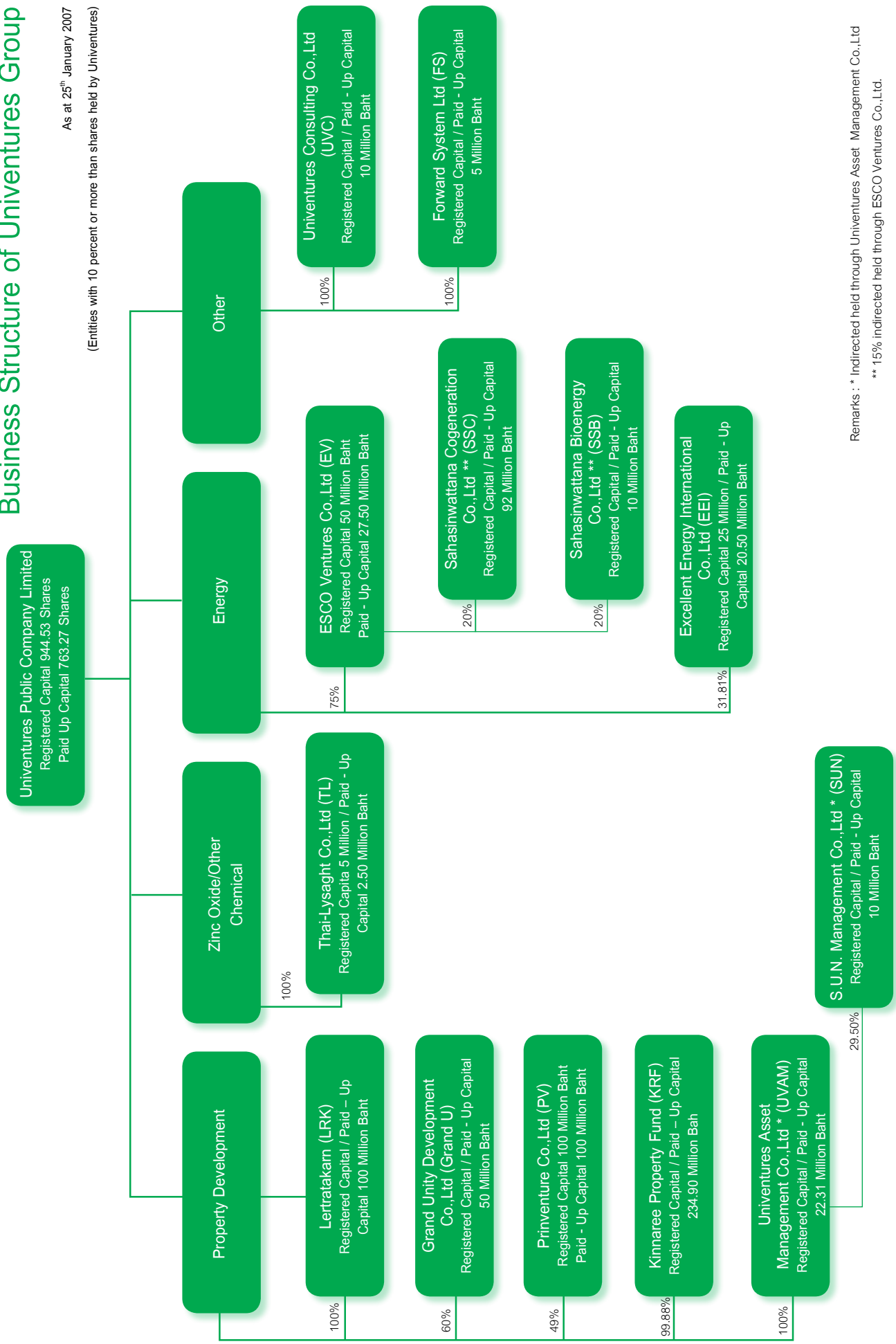
A handwritten signature in black ink, appearing to read 'Omruedi Na - Ranong'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Omruedi Na - Ranong
President

Business Structure of Univentures Group

As at 25th January 2007

(Entities with 10 percent or more than shares held by Univentures)



Remarks : * Indirectly held through Univentures Asset Management Co.,Ltd
** 15% indirectly held through ESCO Ventures Co.,Ltd.

Nature of Business

Univentures Public Company Limited (“Company”) was founded and registered on 13th August 1980, with the initial objectives of operating the business of producing zinc oxide products under the trade name picture of “CRUCIBLE”. The Company was listed in the Stock Exchange of Thailand in 1988. And since 2001 onwards, the Company has expanded its investments in real estate development continuously, with an aim to develop potential real estate projects but are facing financial problems, to an extent that these projects can be completed for sale. The Company has then set up subsidiary companies or made joint investments with experienced real estate developers. As a result of its shifting and expansion of investment to real estate development, in 2006 the Company was approved by the Stock Exchange of Thailand to shift the business group from Petrochemicals and Chemicals Sector to Property Development Sector.

The business operations of the Company, subsidiary companies, and joint companies can be classified per major categories of business as follows:

1 Real Estate Development and Investment Business :

Residential condominium buildings for sale operated by Grand Unity Development Company Limited (the Company holds 60 percent, either directly or indirectly) comprise project development under the names of Lumpini Place Watercliff Project, Lumpini Townhome Ratchada-Rama 3 Project, Lumpini Suite Ratchada-Rama 3 Project, Grand Heritage Thonglor Project, Grand Park View Asoke Project, and Park View Vibhavadi Project (Phases I, II and III).

Kinnaree Property Fund (the Company holds 99.98 percent, either directly and indirectly) make project development investment in Bann Ing Rak Project, Sathorn Seven Residence Project, and Narathorn Place Project.

Single houses and townhouses for sale operated by Prinventure Company Limited (the Company holds 49 percent) develop the European Town Oon-Nuch Project and the Northern Town Rangsit Project.

At present, Lertrattakarn Company Limited (the Company holds 100 percent) has acquired the right to lease a plot of land located on the corner of Wireless Road of an area of 5-0-36.2 Rais for a leasing right of 34 years. Presently it is under the project study which will be developed as a hotel and office building, the total space area of which is not less than 80,000 square metres.

2 Zinc Oxide Production and Distribution Business :

The products are produced by the Company and distributed by Thai-Lysaght Company Limited. (The Company holds 100 percent).

3 Energy Business :

This is of a nature of business in the form of making investment in the business of energy management from fuel sources which are natural remaining materials jointly with economical and low pollution fuel, and providing consultation services on engineering management and energy conservation, via ESCO Ventures Company Limited. (the Company holds 75 percent) and Excellent Energy International Company Limited. (the Company holds 31.80 percent).

4 Other Businesses

The Company is a distributor of time recorder, building entrance/exit control system and passenger lifts, and car park control equipment, under the trade mark of “AMANO” from Japan via the Forward System Limited. (the Company holds 100 percent).

Besides, there are also Univentures Consulting Company Limited and Univentures Asset Management Company Limited. (the Company holds 100 percent) operating the business of providing financial and investment consultation services.

Revenue Structure

Business Group	Operated by	2007		2006		2005	
		THB Million	%	THB Million	%	THB Million	%
Zinc oxide & Other Chemicals	Univentures						
Domestic sales		1,032.24	67.15%	1,020.22	65.44%	326.25	29.46%
Export sales		105.76	6.88%	70.41	4.52%	37.29	3.37%
Total		1,138.00	74.03%	1,090.63	69.96%	363.54	32.83%
Domestic sales	Thai-Lysaght	184.11	11.98%	188.45	12.09%	345.76	31.23%
Export sales		-	-	-	-	2.51	0.23%
Total		184.11	11.98%	188.45	12.09%	348.27	31.46%
Revenues from Zinc oxide & Other chemicals		1,322.11	86.01%	1,279.08	82.05%	711.81	64.29%
Investment	Kinneree Property Fund/ Univentures/ Univentures Asset Management						
Revenues from sale of condominium units		97.08	6.31%	145.63	9.34%	262.15	23.68%
Gain on sale of loan collateral		7.88	0.51%	9.54	0.61%	-	-
Rental & Gain on sale of property, plant and equipment for rent		0.60	0.04%	9.96	0.64%	-	-
Interest income		43.09	2.80%	31.54	2.02%	16.73	1.51%
Dividend income		2.52	0.16%	7.38	0.47%	9.12	0.82%
Gain (loss) on sales of long-term investment (securities held for trading)		-	-	3.55	0.23%	20.73	1.87%
Share of Income (loss) from investment in associates		(9.89)	(0.64%)	15.08	0.97%	36.92	3.33%
Revenue from investment		141.28	9.19%	222.68	14.28%	345.65	31.22%
Other	Forward System / Univentures Consulting / Esco Ventures						
Sales of Time recorder & Car park system control equipment		39.11	2.54%	39.56	2.54%	37.76	3.41%
Other revenues : Sales from by product / consultin & Management fee / Interest income		34.81	2.26%	17.64	1.13%	12.01	1.08%
Net Revenue		1,537.31	100%	1,558.96	100%	1,107.23	100%

Analysis of Results of Operations and Financial Position

Results of Operations

In 2007 the combined financial statements of the Company showed that the Company had incomes from sales at Baht 1,361.22 million, or about 88.55 percent of the total incomes, an increase from the previous year by around 3 percent. Most sale incomes came from the zinc oxide operation business at about Baht 1,322.11 million and from the time recorder and car park control equipment sales at about Baht 39.11 million.

The income from real estate business was at Baht 97.08 million, or 6 percent of the total incomes, a decrease from the previous year by about 33 percent, largely due to the fact that it was a continuous sale of the old projects, namely Park View Vibhavadi Project and Narathorn Place Project, most sales of which occurred in 2006. As for 2007, there were no new completed projects which were ready for sale. Other incomes of the Company was recorded at Baht 88.90 million, an increase of 11.7 percent from the previous year, most of which occurred from interests receivable and increased service charges.

In the part of costs of sale, the ratio still stood at 87 percent of the income from sales, thereby creating an initial profit at the ratio of about 13 percent, which is at the same level as that of the year before. However, in the part of initial project ratio of the sale of condominium units, it decreased from 27 percent of last year to remain at 17 percent, owing to there having been made a promotion for the closing sale of the Park View Vibhavadi Project (Phase II).

As regards the realization of the share of profit (loss) from investment money in the joint companies in 2007, a loss in the amount of Baht 9.89 million was realized, as compared to the year before where a profit was realized in the amount of Baht 15.08 million. This readily made the total net profits to also decrease.

In conclusion, in 2007 the total net profit was at Baht 100.95 million, a reduction of Baht 45.45 million from that of last year, or about 31 percent. The main reason was due to the reduction of incomes and initial profits from real estate business, as well as the realization of the loss in the joint companies.

Financial Position

Total Assets

Total assets according to the combined financial statements amounted to Baht 2,159.50 million, an increase of Baht 603.64 million from that of the year before, or 39 percent increase. The main reason was due to the increase of cash and cash equivalent including temporary investment at Baht 613.41 million which came from the capital increase shares subscription during the year and also from the increase of the value of the project under development (land development project at the corner of Wireless Road) at Baht 171.36 million, a real estate development project that would create incomes to the Company in the future.

Total Liabilities

Total liabilities according to the combined financial statements amounted to Baht 221.84 million, an increase of Baht 63.73 million from last year, or an increase by 40 percent. This was because in 2007 the creditor under the obligations of the long-term land lease contract at the corner of Wireless Road was recorded at Baht 109 million, the actual payment of which would be made in January 2008. Further, short-term loans from related businesses increased by Baht 24 million, as a result of the buying of a subsidiary company (Grand Unity Development Co., Ltd.). However, the amounts shown in the combined financial statements were the amounts after the offsetting of inter-related transactions with the Company. In the part of overdraft and short-term loans in 2007, it reduced by Baht 82.80 million, as a result of reduction of bank overdraft amount and short-term loans arisen from the repayment of promissory notes issued to the bank.

Shareholders' Equity

As at 31st December 2007, the shareholders' equity according to the combined financial statements amounted to Baht 1,937.66 million, an increase of Baht 539.61 million from the previous year, or an increase by 39 percent. This was because the Company had issued capital increase shares for sale specifically to the Adelfos Company Limited totaling 221.50 million shares at the price of Baht 2.04 per share, making the total amount after deduction of expenses to be at Baht 450.13 million, and there had also been exercised the rights under the ordinary share option warrants by another 10.31 million shares, totaling Baht 13.96 million.

Therefore, the shareholder's equity was increased by Baht 464.10 million from the capital increase and by Baht 47.65 million from the retained earnings. It should be noted that such capital increase is aimed at strengthening the capital base so as to support the expansion of business according to the Company's operations plans.

Cash Flow

Cash flow from the business operations of Baht 170.33 million in 2007 mostly occurred from the sale of condominium rooms of the Kinnaree Property Mutual Fund and the revision of sale policy of the time recorder and car park control equipment business as cash sale increasingly in lieu of granting credit term to the customers.

In the part of cash flow from investment activities, in this year the Company had paid money according to the conditions under the land lease contract at the corner of Wireless Road in the amount of Baht 64.61 million, and a portion of the cash flow was invested in temporary investment in the form of 1-year fixed deposit at the interest rate of 3.25 percent at Baht 100 million. At the same time, the Company received repayment from loans to related businesses in the amount of Baht 168.55 million. On the whole, after having considered the increase (decrease) of investment activities in other matters, the Company in the end received money from investment activities in the amount of Baht 31.97 million, and whereas the Company had receivable cash from the capital increase at Baht 462.61 million, thus, as at the end of 2007, the Company and its subsidiary companies had net remaining cash in the amount of Baht 825.08 million.

Important Liquidity Ratio

The liquidity ratio stood at 7.45x and the quick ratio was at 6.32x, which is considered to be at a very high liquidity level and is about the same as that of last year. The high liquidity stems from the Company having receivable cash from the capital increase during the year, the amount of which is to be utilized in the business expansion.

Impacts from Investment in Real Estate Business :

1 Risk from Economic Situations Locally and Abroad

As a result of economic slowdown within the country coupled with the impacts from the subprime problems in the United States of America, which have readily sent impacts around the world, including Thailand, many overseas financial institutions have suffered a loss, have reduced their employment, while expansion of investments in other sectors has also been restricted. All of these have rocked the confidence in the economic situation of the consumers, making some of them to slow down their decisions in buying residences, as it can be seen that many mega projects still have a great deal of inventory left in their hands. Therefore, the company still exercises great care in making investments, by adopting a policy of selecting projects which are of appropriate size to the customers base in such areas, so as to avoid problems of unsold inventory. Besides, the company has tried to develop its existing projects so that they be completed as soon as possible, in order to create confidence among the customers, and that they can be accordingly transferred to the customers.

2 Risk from Competition

The real estate business sector in the past year still saw stiff competition of both horizontal and vertical projects and from both existing and new developers, particularly those located in the areas along the skytrain and the underground train lines, or areas which are adjacent to main roads, with an aim to afford convenience to the customers in regard to public transport traveling.

Based on the said factors, the company has tried to choose making investments in projects which are not located in the areas where there are great competition, but which stand out from other projects in other aspects that can respond to the needs of customers, by stilling making an emphasis on making investments in lands or projects facing financial problems but are of good potential projects, which would only make the costs of acquirement of such projects to be low, while they could be developed for completion quickly. Further, the company still applies the policy of developing projects at medium prices, which is a group where it has a good number of customers.

3 Risk on Costs of Project Developments

Whereas the competition is high, thereby making the demand of empty land to be also high, hence, it pushes up the price of lands. Further, the new land price assessment of the Lands Department on 1st January 2008 plays a part on the adjustment of price of land in areas of good potential.

Besides, the oil price factor which is on the rise also sends direct and indirect impacts to the costs of construction, and, further, the prices of construction materials are likely to be increased. All of these would render the real estate developers to face a difficult time in the management, should they wish to maintain their profit making capability.

For this part, the company has therefore adopted a policy to manage the costs effectively, by selecting only experienced contractors and whose work accomplishments are reliable.

Impacts from Zinc Oxide Business :

Risks from Prices

1 Risk from Raw Materials Prices Which are Fluctuating According to Buying/Selling Prices of the World Market

Zinc ingot, which is the main raw material used in the production, accounts for 80 percent of the total costs of production, and is classified as a commodity product. And whereas the buying/selling price in each day is fixed by referring to the price at the London Metal Exchange (LME), England, which fixes the price in US dollars, whereby the price will be converted into Baht by making computation basing on the rate of exchange on the date of purchase, thus, the company may encounter a risk on the product costs, as the main raw material price is highly fluctuating and is referred to the demand and supply in the world market.

The average price of zinc ingot in January - December 2007 stood at US 3,242 dollars per metric ton, a reduction from the average price of 2006 at 1.16 percent or US 38 dollars per metric ton, as the demand for zinc was on the decline. At the same time, the stocks of zinc have increased, and there have been no news about any protest of zinc mine workers. In some periods, the price may be fluctuating and is of high price, because of the speculation of the Fund, thereby causing some fluctuations of the price.

The company has adopted a policy to reduce the risk that may occur in such a case, by having analyzed, monitored and assessed the information from the various news sources continuously, and by having chosen appropriate risk management tools so that the purchase of raw materials be in line with the quantity of sale of each customer, in order to obtain a price that the rate of profit making can be maintained.

2 Risk from Price Competition of Products

In 2008, the price of zinc ingot had been decreasing continuously, because the economic situation in the United States of America was retracting, and because the investors were not so sure of the economic situation in the US. This resulted in the investors not being interested to make their investments in this group as was the case in the past. Another factor that well indicated the US economy was the continuous weakening of the US dollar, making other currencies to be on the rise. As such, it is expected that in 2008, the price of zinc oxide would need to be decreased according to the world market situation.

And from the above-said situation, it would no doubt send impacts on price competition of the product where there must still be a stiffer competition than that in the past year, particularly domestic price competition of the product. This is because when comparing the price of raw materials in January of 2008 and that of the same period in 2007, the average buying/selling price at the LME (London Metal Exchange) appears to drop by 39 percent, thereby prompting each seller in the market to offer price reduction strategy to stimulate the market in order to increase sales, as the bargaining power rests with the buyers.

3 Risk from Increasing Oil Prices in the World Market

As the oil price has increased considerably from Baht 10-11 per litre in the first quarter of 2007 and climbing up steadily when in the 4th quarter it shot up to Baht 18 per litre, which is higher than those of 2006 by Baht 7-8 per litre, and whereas oil accounts for 5 percent of the costs of production, it therefore affects the costs of production in some ways. Nevertheless, the company still attaches importance to manufacturing process, increased equipment maintenance efficiency, increased efficiency on transportation by managing the transport route plans and/or hiring efficient transport contractors whose service fees are appropriate to proceed with the transportation. This has helped reduce the total costs of production not to exceed the target set by the company.

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Risk from Acquirement of Raw Materials Sources

Whereas the raw material used in the production at 80 percent is 99.995% special high grade zinc ingot, thus, an acquirement of the raw material sources is an extremely important factor, whether it be price negotiation, quantity of stocks, and supplying of the raw material in time for the production plan. Relying only on one single raw material source in the country, namely PaDaeng Industry Public Company Limited, may be a risk. Hence, the company must buy raw material from abroad also, so as to manage the said risk. This enables the company to have more alternatives in buying raw materials.

Impacts from Energy Investment Business :

1 Risk on Technology and Warranty of Energy Saving

Energy management business is an operation of business by applying new inventions from abroad for the design of work systems so as to save energy for various businesses, with warranty of minimum energy saving for the project operators. And if such projects cannot save the energy owing to technology shortcomings, the company will be responsible for making minimum energy saving payment to the business operators. However, Excellent Energy International Company Limited has had experiences and expertise in engineering and development of energy saving projects for more than 8 years, and it always attaches importance to the selection of efficient technology which is suitable for businesses of operators. In the past this company has met with considerable successes. Besides, in purchasing equipment, it pays special attention on reliable sellers who have offered warranty conditions of the equipment so as to obtain the end results according to the design.

2 Risk from Business of Joint Project Developers

In proceeding with the energy saving project where the company makes investment and jointly develop the project via ESCO Ventures Company Limited, it has to rely on the operators who are joint project developers and who are the buyers of energy obtained from the project, such as steam and electricity. Also, the operators may even supply the fuel used in the project. Therefore, the business position of the joint project developers is an important factor that makes the project meet with success and yield returns as expected by the company. This is why the company has given special importance to a selection of joint project developers who must have strong business foundation and have good cash flow from the operations.

3 Risk on Rate of Exchange

Machinery and equipment used in the energy saving project for industrial factory group and commercial group, such as hotel and office building, are mostly imported from abroad and they are of made-to-order type, which takes anywhere from 6 months to 1 year. Therefore, the term of payment in the future may be affected from the fluctuation of rate of exchange in the case the Baht weakens, when it may cause the costs of project to increase. The company is aware of the said risk and prevents such a risk by making the forward contract with financial institutions, so as to control the costs of project so that it be in line with the estimations. However, for a project with joint investment with a foreign fund who brings in foreign currency for investment, the said foreign currency may be used in the project and could partially prevent a risk from the fluctuation of rate of exchange.

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Impacts from Time Recorder Business and Car Park Control Equipment :

1 Risk from Price Competition

Whereas the time recorders and the car park control system equipment which the company has imported from Japan, Europe and the United States of America can be produced in the Asian region, especially in China and Taiwan, where the costs of production are much lower, as such many domestic traders therefore prefer to import the products from Asian region for sale in Thailand, so as to meet the demand of the medium and low-end markets which are sensitive to prices, while the products are of similar technology. This has affected the growth of income of the company and has forced the company to find products of new technology to compete in the market. In 2008, the company has a plan to introduce new products into the market, with an aim to avoid price competition and at the same time creating the difference, by putting emphasis on the quality of goods and the after-sale services.

2 Risk on Technology

Main goods which are being marketed at present by the company still use technology from abroad, which, sometimes, does not respond to the need of the consumers. Therefore, the company has a plan to develop its own personnel so that they be able to develop new technology in order to create goods which are suitable and meet the requirements of domestic customers.

3 Risk from Economic and Political Situations

Because the goods sold by the company presently still rely on the real estate business mainly, particularly the car park system control equipment, therefore, if in 2008 the real estate business is affected by the economic and political situations, it could send some impacts to the business operations of the company as well.

4 Risk on Rate of Exchange

Whereas the company must import the time recorders and car park control system equipment from abroad and the costs are in United States Dollar and Japanese Yen, if there is a fluctuation of the Baht, for example, when the Baht weakens, it will affect the costs of operations of the company directly. As such, the company has adopted preventive measures, whereby it will conclude forward contracts for the goods imported from abroad, so as to reduce risks from the Baht fluctuations.

Shareholder Structure

UV's top 10 major shareholders as at the closing date of shareholder register on 25th January 2008.

Shareholders	Number of Shares Hold	% Shareholding
1) Adelfos Company Limited ^{1/}	391,502,726	51.29
2) Thai NVDR Company Limited	85,881,424	11.25
3) UOB Kay Hian Private Limited	74,391,000	9.75
4) HSBC (Singapore) Nominees Pte.,Ltd.	39,571,900	5.18
5) CACEIS Bank Luxembourg	17,179,000	2.25
6) Mrs. Ornuedi Na - Ranong	6,841,000	0.90
7) Mr. Chongrak Sripunporn	6,800,000	0.89
8) Mellon Bank, N.A.	6,500,000	0.85
9) Mr. Apinant Horsangchai	5,135,900	0.67
10) General Engineering Public Company Limited	5,000,000	0.66

Note : Source by Thailand Securities Depository Company Limited

^{1/} Adelfos Company Limited holding by Mr. Thapana and Mr. Panot Sirivadhanabhakdi in portion of 50% each.

The Limited of Foreign Shareholders

The foreign shareholders can be able to hold not more than 49 percent of its paid-up capital as of 25th January 2008, which now have been holding 21.30 percent of its paid-up capital. The Company has imposed limited on the number of shares which can be owned by the foreigners at 49 percent of paid-up capital. As of 25th January 2008 the Company declared that 21.30 percent of paid-up capital shares owned by the foreigner.

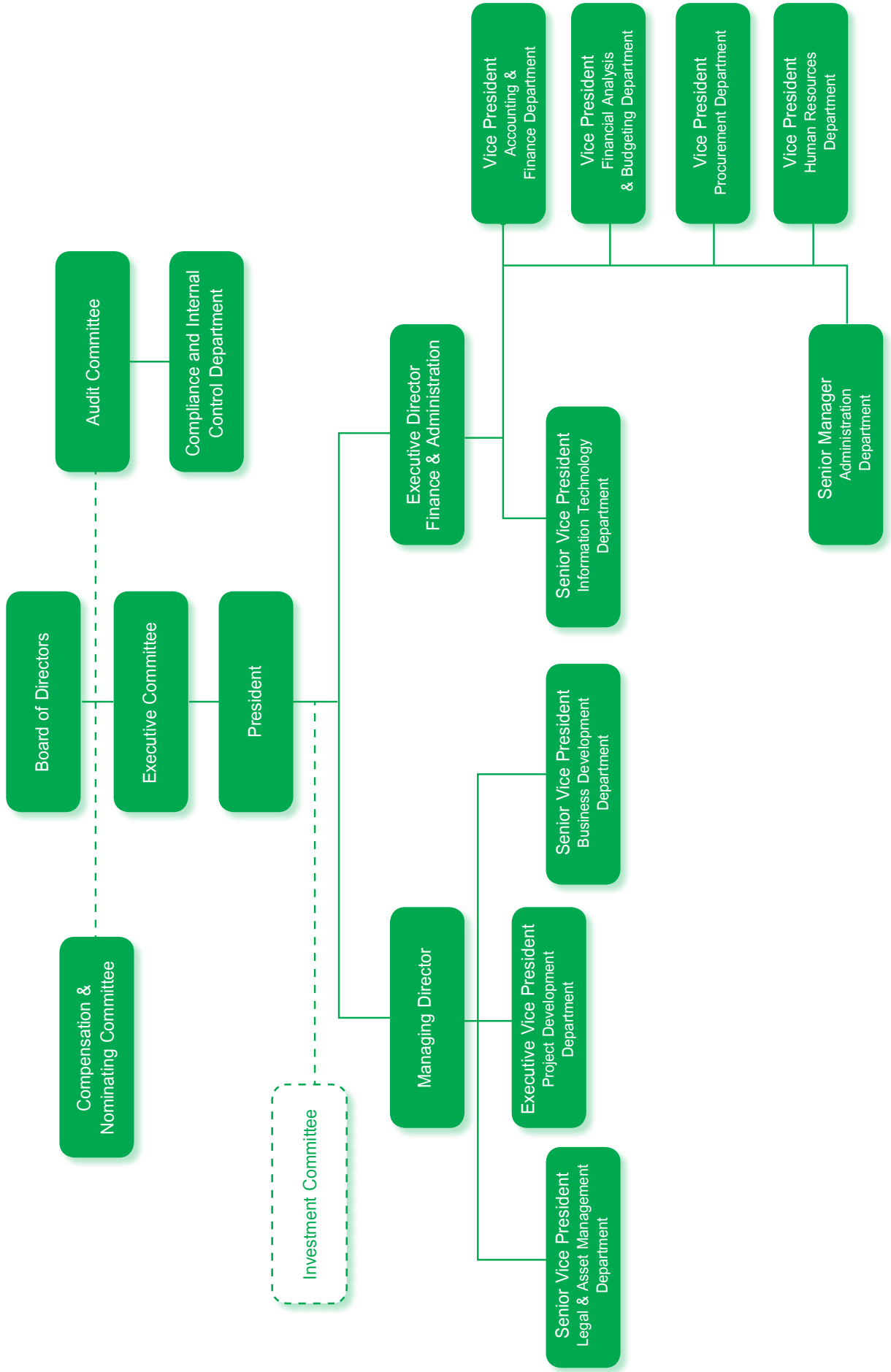
Dividend Policy

UV's dividend policy is to pay out at least 10% of its net profit after unless the Company and its subsidiaries. Each year's payout is subject to UV's investment plan, justifications, and other future considerations. Upon approval by the Board of Directors, the annual dividend payout is to be presented to the shareholders' meeting for approval. As regards and interim dividend, however, the Board is authorized to pay it and then report the payout at the next shareholders' meeting. The Company has no dividend policies for the subsidiaries.

Dividend payment for the previous 5 years

Year	2007	2006	2005	2004	2003
Annual dividends (Baht per share)	0.10	0.10	0.10	0.10	0.10
Net Profit (THB Million)	100.95	146.40	117.98	86.91	224.89
Dividends payout ratio on net profit	75.61%	36.40%	44.95%	60.54%	23.15%

Organization Chart

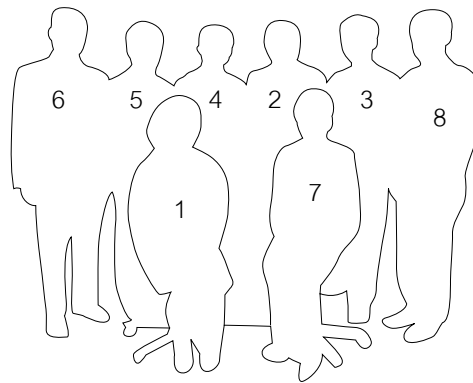


Board of Directors and Management



Board of Directors

- | | |
|---------------------------------|-----------------------|
| 1 Miss Potjane Thanavarant | Chairman of the Board |
| 2 Mr. Suwit Chindasanguan | Independent Director |
| 3 Mr. Nararat Limnararat | Independent Director |
| 4 Mr. Thapana Sirivadhanabhakdi | Director |
| 5 Mr. Panot Sirivadhanabhakdi | Director |
| 6 Mr. Sithichai Chaikriengkrai | Director |
| 7 Mrs. Ornruedi Na - Ranong | Director |
| 8 Mr. Thanapol Sirithanachai | Director |

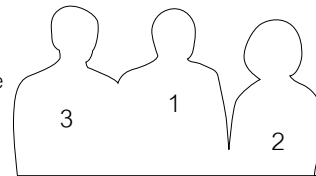


Board of Directors and Management



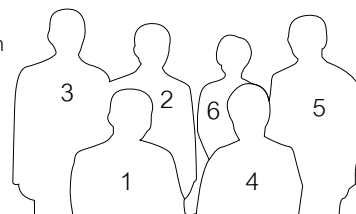
Audit Committee

- 1 Mr. Suwit Chindasanguan Chairman of the Audit Committee
- 2 Miss Potjaneer Thanavaranit Audit Committee
- 3 Mr. Nararat Limnarat Audit Committee



Executive Committee

- 1 Mr. Thapana Sirivadhanabhakdi Executive Chairman
- 2 Mr. Panot Sirivadhanabhakdi Executive Director
- 3 Mr. Sithichai Chaikriengkrai Executive Director
- 4 Mrs. Omruedi Na - Ranong Executive Director
- 5 Mr. Thanapol Sirithanachai Executive Director
- 6 Mrs. Kanyarattana Chok-oon-Kit Executive Director



Board of Directors and Management

Miss Potjane Thanavaranit

Director Type		Independent Director
Present Position		Chairman of the Board / Audit Committee / Compensation and Nominating Sub-Committee
Age		62 Years
Nationality		Thai
Highest Education		Master of Business Administration Syracuse University, U.S.A. (USAID Scholarship)
Governance Training of Thai Institute of Directors Association (IOD)		Role of Compensation Committee Program (RCC4/2007) Directors Certification Program (DCP17/2006) The Role of Chairman Program (RCP13/2005)
UV Shareholding		0% (-0- shares)
Year of Directorship		8 Months
Position in Other Listed Companies	Present	Independent Director / Audit Committee Bangkok Insurance Public Company Limited
	Present	Director Thai Reinsurance Public Company Limited
Position in Non-Listed Companies	Present	Second Vice – President of the National Legislative Assembly The National Legislative Assembly, the Senate
	Present	Council of State (Group 3 – Monetary Laws) Office of the Council of State
	Present	Advisor Ministry of Commerce
	Present	Economic Advisor The Council for National Security
Position in Rival Companies/ Connected Business that may cause conflict of interest		- None -
Experience	2001 – 2006	Director General, Department of Insurance Ministry of Commerce
Legal record in the past 10 years		- None -

Mr. Suwit Chindasanguan

Director Type		Independent Director
Present Position		Independent Director / Chairman of Audit Committee
Age		53 Years
Nationality		Thai
Highest Education		Master of Science (Ag. – econ) Kasetsart University
Governance Training of Thai Institute of Directors Association (IOD)		Role of the Compensation Committee Program (RCC1/2006) Improving the Quality of Financial Reporting (QFR2/2006) Audit Committee Program (ACP4/2005) Directors Certification Program (DCP44/2004) Directors Accredited Program (DAP14/2004)
UV Shareholding		0.07% (500,000 shares)
Year of Directorship		4 Years 6 Months
Position in Other Listed Companies	Present	Chairman / Audit Committee SIS Distribution (Thailand) Public Company Limited
Position in Non-Listed Companies	Present	Chairman of the Board Internet Solution and Service Provider Company Limited
Position in Rival Companies/ Connected Business that may cause conflict of interest		- None -
Legal record in the past 10 years		- None -

Board of Directors and Management

Mr. Nararat Limnararat

Director Type		Independent Director
Present Position		Independent Director / Audit Committee / Compensation and Nominating Sub-Committee
Age		49 Years
Nationality		Thai
Highest Education		Master of Business Administration, Finance Cornell University, New York, U.S.A
Governance Training of Thai Institute of Directors Association (IOD)		Directors Certification Program (DCP initial) Finance for Non-Finance Director (FND-2004)
UV Shareholding		0% (-0- shares)
Year of Directorship		2 Years 3 Months
Position in Other Listed Companies		- None -
Position in Non-Listed Companies	Present	Director / Managing Director Asia Asset Management Limited
Position in Rival Companies/ Connected Business that may cause conflict of interest		- None -
Legal record in the past 10 years		- None -

Mr. Thapana Sirivadhanabhakdi

Director Type		Director with Authorized Signature
Present Position		Director / Executive Chairman / Compensation and Nominating Sub-Committee
Age		33 Years
Nationality		Thai
Highest Education		Master of Business Administration, Banking & Finance, Economic Boston University, U.S.A.
Governance Training of Thai Institute of Directors Association (IOD)		Directors Accreditation Program (DAP10/2004)
UV Shareholding*		25.65% (195,751,363 shares)
Year of Directorship		8 Months
Position in other Listed Companies	Present	Director / Vice Chairman Siam Food Products Public Company Limited Thai Alcohol Public Company Limited
	Present	Vice Chairman / Executive Vice Chairman Oishi Group Public Company Limited
	Present	Director / Executive Vice President Thai Beverage Public Company Limited
	Present	Director / Executive Director Beer Thai (1991) Public Company Limited Berli Jucker Public Company Limited
Position in Non-Listed Companies	Present	Director Adelfos Company Limited
Position in Rival Companies/ Connected Business that may cause conflict of interest		- None -
Legal record in the past 10 years		- None -

Board of Directors and Management

Mr. Panot Sirivadhanabhakdi

Director Type		Director with Authorized Signature
Present Position		Director / Executive Director
Age		30 Years
Nationality		Thai
Highest Education		Master Degree in Management Information System, London University, UK
Governance Training of		Directors Certification Program (DCP46/2004)
Thai Institute of Directors Association (IOD)		Finance for Non-Finance Director (FND10/2004)
UV Shareholding		25.65% (195,751,363 shares)
Year of Directorship		8 Months
Position in other Listed Companies	Present	Director / Executive director Berli Jucker Public Company Limited
	Present	Director Siam Food Products Public Company Limited Thai Beverage Public Company Limited
Position in Non-Listed Companies	Present	Director / Executive director Beer Thip Brewery (1991) Company Limited
	Present	Director/ Executive Vice President T.C.C. Technology Company Limited
	Present	Director Lan Chang Development Company Limited TCC Land Leisure Company Limited Adelfos Company Limited Eastern Seaboarn Industrial Estate (Rayong) Company Limited Plantheon Company Limited Siriwana Company Limited Cristalla Company Limited Terragro Company Limited
Position in Rival Companies/ Connected Business that may cause conflict of interest		- None -
Experience	2000 – 2004	Director Beer Thai (1991) Public Company Limited
Legal record in the past 10 years		- None -

Mr. Sithichai Chaikriengkrai

Director Type		Director with Authorized Signature
Present Position		Director / Executive Director
Age		53 Years
Nationality		Thai
Highest Education		Mini MBA Kasetsart University
Governance Training of		Directors Certification Program (DCP26/2003)
Thai Institute of Directors Association (IOD)		DCP Refresher Course 2
UV Shareholding		0% (-0- shares)
Year of Directorship		8 Months
Position in other Listed Companies	Present	Director / Executive director Siam Food Products Public Company Limited Oishi Group Public Company Limited Berli Jucker Public Company Limited
Position in Non-Listed Companies	Present	Director Adelfos Company Limited Eastern Seaboarn Industrial Estate (Rayong) Company Limited
Position in Rival Companies/ Connected Business that may cause conflict of interest		- None -
Experience	1997-2004	Director / Senior Executive Vice President Beer Thai (1991) Public Company Limited
Legal record in the past 10 years		- None -

Board of Directors and Management

Mrs. Ornruedi Na - Ranong

Director Type		Director with Authorized Signature
Present Position		Director / Compensation and Nominating Sub-Committee / Executive Director / President
Age		47 Years
Nationality		Thai
Highest Education		Master of Business Administration San Diego State University, U.S.A.
Governance Training of		Diploma Directors Certification Program (DCP17/2002)
Thai Institute of Directors Association (IOD)		DCP Refresher Course (3/2006)
UV Shareholding		0.90% (6,841,000 shares)
Year of Directorship		8 Years
Position in other Listed Companies		- None -
Position in Non-Listed Companies	Present	Director Lertrattakarn Company Limited ESCO Ventures Company Limited Prinventures Company Limited Kinnaree Property Fund S.U.N. Management Company Limited Grand Unity Development Company Limited Excellent Energy International Company Limited Univentures Consulting Company Limited Univentures Asset Management Company Limited Forward System Limited Thai – Lysaght Company Limited Master Dei Institute Foundation
Position in Rival Companies/ Connected Business that may cause conflict of interest		- None -
Experience	2002 – 2006	Director Sansiri Venture Company Limited
Legal record in the past 10 years		- None -

Mr. Thanapol Sirithanachai

Director Type		Director with Authorized Signature
Present Position		Director / Executive Director / Managing Director
Age		41 Years
Nationality		Thai
Highest Education		Master of Business Administration University of Texas at Austin, U.S.A.
Governance Training of		Directors Certification Program (DCP39/2004)
Thai Institute of Directors Association (IOD)		Directors Accreditation Program (DAP10/2004)
UV Shareholding		0.16% (1,200,000 shares)
Year of Directorship		4 Years 10 Months
Position in other Listed Companies		- None -
Position in Non-Listed Companies	Present	Director Lertrattakarn Company Limited ESCO Ventures Company Limited Prinventures Company Limited Kinnaree Property Fund S.U.N. Management Company Limited Grand Unity Development Company Limited Univentures Consulting Company Limited Univentures Asset Management Company Limited Forward System Limited Thai – Lysaght Company Limited
Position in Rival Companies/ Connected Business that may cause conflict of interest		- None -
Experience	2003 – 2006	Director Sansiri Venture Company Limited
	2002 – 2003	Senior Vice President Bank of Asia Public Company Limited
Legal record in the past 10 years		- None -

Board of Directors and Management

Mrs. Kanyarattana Chok-oon-Kit

Present Position		Executive Director / Chief Financial Officer
Age		42 Years
UV Shareholding		0% (-0- shares)
Relationship With Management		- None -
Highest Education		Master of Business Administration Thammasat University
Governance Training of Thai Institute of Directors Association (IOD)		- None -
Experience	Present	Director Lertrattakarn Company Limited Univentures Consulting Company Limited Univentures Asset Management Company Limited Forward System Limited Thai – Lysaght Company Limited
	2001 - 2007	Executive Chief Financial Officer Siam Paragon Development Company Limited
	Jul 2001 - Dec 2001	Finance Director Supplier Connex Limited
	Jan 2001 - Jun 2001	Executive Vice President Asia Asset Management Limited
	Dec 1998 - Dec 1999	Financial Planning & Analysis Manager GE Capital (Thailand) Company Limited
	Aug 1996 - Dec 1998	Vice President, Investment Banking Asia Finance Public Company Limited
	May 1992 - Aug 1996	Vice President, Corporate Finance
	Feb 1990 - May 1992	Senior Management Accountant First Asia Securities Public Company Limited
	Nov 1987 - Feb 1990	Semi Senior Auditor SGV Na Thalung Company Limited
Legal record in the past 10 years		- None -

Mr. Korntawat Kingngoen

Present Position		Director / Managing Director, Thai - Lysaght Company Limited
Age		43 Years
UV Shareholding		0.004% (30,000 shares)
Relationship With Management		- None -
Highest Education		Bachelor Degree, Finance Thai Chamber of Commerce University
Governance Training of Thai Institute of Directors Association (IOD)		Directors Certification Program (DCP71/2006)
Experience		- None -
Legal record in the past 10 years		- None -

Mr. Noppadol Theerasilp

Present Position		Director / Managing Director, Forward System Limited
Age		50 Years
UV Shareholding		0.003% (20,600 shares)
Relationship With Management		- None -
Highest Education		Master of Business Administration, International Business Pacific State University California, U.S.A.
Governance Training of Thai Institute of Directors Association (IOD)		- None -
Experience	2003 – 2004	General Manager Modern Dynamic Golf Company Limited
	2001 – 2003	Project Manager Siam Polo Park Company Limited
Legal record in the past 10 years		- None -

Board of Directors and Management

Mr. Alongkorn Prathanrasnikorn

Present Position		Senior Vice President, Legal and Asset Management Department
Age		43 Years
UV Shareholding		0.05% (366,000 shares)
Relationship With Management		-None-
Highest Education		Master of Law, McGeorge School of Law University of the Pacific, U.S.A.
Governance Training of Thai Institute of Directors Association (IOD)		- None -
Experience	Present	Director / Managing Director Univentures Asset Management Company Limited
	Present	Director Lertrattakarn Company Limited
	1998 – 2007	Senior Fund Manager, Property Fund Management Department One Asset Management Limited
Legal record in the past 10 years		- None -

Mr. Khumpol Poonsonee

Present Position		Senior Vice President, Business Development Department
Age		36 Years
UV Shareholding		0.08% (573,000 shares)
Relationship With Management		- None -
Highest Education		Master of Business Administration The University of Newcastle upon Tyne, U.K.
Governance Training of Thai Institute of Directors Association (IOD)		- None -
Experience	Present	Director / Managing Director Univentures Consulting Company Limited
	Present	Investment Committee Kinnaree Property Fund
	Present	Director Cathay Asset Management Company Limited
	2003 – 2007	Director / Deputy Managing Director, Business Development Univentures Consulting Company Limited
Legal record in the past 10 years		- None -

Management Structure

The management structure of Univentures Public Company Limited comprises the Board of Directors and 3 committees, namely Audit Committee, Compensation and Nomination Committee, and Executive Committee, with the President as the Chief Executive Officer.

Board of Directors

According to the Articles of Association of the company, the Board of Directors shall comprise no less than 5 directors, and at least one-half of the total number of directors must have a residence in the Kingdom. As at 31st December 2007, the Board of Directors comprises a total of 8 qualified directors, 2 of whom are executive directors and the rest are non-executive directors, as follows:

Name-Surname	Position	Date of Appointment
1. MissPotjanee Thanavaranit	Chairman of the Board	18 th July 2007
2. Mr. Suwit Chindasanguan	Independent Director	24 th October 2003
3. Mr. Nararat Limnararat	Independent Director	16 th December 2005
4. Mr. Thapana Sirivadhanabhakdi	Director	18 th July 2007
5. Mr. Panot Sirivadhanabhakdi	Director	18 th July 2007
6. Mr. Sithichai Chaikriengkrai	Director	18 th July 2007
7. Mrs. Omruedi Na-Ranong	Director and President	24 th May 2000
8. Mr. Thanapol Sirithanachai	Director/Managing Director (Secretary to the Board of Directors)	10 th June 2003

Note: The Annual Ordinary Meeting of Shareholders of 2007 on 20th April 2007 passed a resolution that the following directors be appointed: Mr. Suwit Chindasanguan, Mr. Nararat Limnararat and Mr. Thanapol Sirithanachai, be re-appointed as directors for another term.

The Board of Directors appointed new directors in replacement of directors who resigned:

- Miss Potjanee Thanavaranit be appointed as Chairman in place of Mr. Vikit Kachonnarongvanich, who resigned on 13th July 2007.
- Mr. Thapana Sirivadhanabhakdi be appointed as director in place of Mr. Khumpol Poonsonee, who resigned on 13th July 2007.
- Mr. Panot Sirivadhanabhakdi be appointed as director in place of Mr. Robert Paul Wallace Collins, who resigned on 13th July 2007.
- Mr. Sithichai Chaikriengkrai be appointed as director in place of Mr. Ian Stuart Donnachie, who resigned on 13th July 2007.

Definitions

Executive director refers to a director who is an executive and who is involved in the regular management of the Company.

Non-executive director refers to a director who is not an executive and who has no part in the regular management of the Company. He or she may or may not be an independent director.

Independent director refers to a director whose qualifications are in line with the requirements of the Office of the Securities and Exchange Commission and the Stocks Exchange of Thailand, whereby he or she must possess the qualifications and must not have the prohibited descriptions as follows:

1. Hold shares not exceeding 5 percent of the total number of shares with rights to vote in the Company, subsidiary company, joint company, or related company, or person who may have a conflict of interest. However, it shall include the shares held by related persons under Section 258 of the Securities and Exchange Act B.E. 2535 (1992).
2. Has no part in the management, is not an employee, a staff or an adviser who receives regular salary from the Company, subsidiary company, joint company, or related company, or a major shareholder of the company.

Management Structure

3. Has no benefits or interests, either directly or indirectly, in respect of finance or management of the Company, subsidiary company, joint company, or related company, which may have a conflict in a description that it may cause a lack of independence.
4. Must not be related to or be a close relative of the executives, directors or major shareholders of the Company, subsidiary company, joint company, or those who may have a conflict with the company.
5. Must not be appointed as an agent to preserve the benefits of the directors of the Company, major shareholders or shareholders who are related to the major shareholders of the company.

And must be able to express opinions or report the results of performance independently according to the duties assigned by the Board of Directors without being under the control of the executives or major shareholders or related persons or close relatives of said persons, and under no circumstances shall he or she be forced not to express his/her opinions.

Related person refers to a person who has a relation with or is related to the Company to an extent that he is unable to perform the duties independently or smoothly, such as supplier, customer, creditor, debtor, or person who is significantly related to the business.

Directors Authorized to Sign on Behalf of Company

According to the Company Certificate Registration of the Univentures Public Company Limited issued by the Department Business Development, Ministry of Commerce, it states that Mr. Thapana Sirivadhanabhakdi or Mr. Panot Sirivadhanabhakdi or Mr. Sithichai Chaikriengkrai or Mrs. Omruedi Na-Ranong or Mr. Thanapol Sirithanachai, any two of whom jointly sign and affix the common seal of the Company.

Scope of Powers, Duties and Responsibilities of the Board of Directors

The Board of Directors is responsible for the shareholders concerning the business operations of the Company and also supervises the Management to honestly carry out the works so that it be in line with the targets and guidelines that would create utmost benefits to the shareholders, taking into account the benefits of all stakeholders, including the compliance with the laws, objectives, Articles of Association of the Company, resolutions of the Board of Directors, and resolutions of the meeting of shareholders, except the matters the law states that it must be approved by the meeting of shareholders, as well as the compliance with the criteria and regulations of the Stocks Exchange of Thailand (SET) and the Office of the Securities and Exchange Commission (SEC), while at the same time preserving the benefits of the Company and is also responsible to the shareholders at the present and in the long-term period.

The Board of Directors may authorize one or several directors or any other persons to perform any work on its behalf, and may revoke or revise such authorization. The Board of Directors is empowered to appoint and change the directors who have the powers to sign on behalf of the Company, and to set up a sub-committee. Nevertheless, the Board of Directors may authorize the Executive Committee to perform various works under its scope of powers and duties.

However, such an authorization must not be in a description of an authorization or sub-authorization that enables the attorney to approve any transaction that he or any person who may have conflict, vested interests, or may have other conflict of interests (as prescribed by the SEC), concludes with the Company or a subsidiary company, except it is an approval of a transaction that is in line with the policy and criteria already approved by the Board of Directors.

Audit Committee

The Board of Directors has approved the setting up of an Audit Committee, the members of which are appointed among the Company's directors who have possessed the qualifications prescribed by the law governing securities and exchange. The Audit Committee must at least comprise 3 members and at least 1 of whom must have knowledge in accounting and finance. At present, the Audit Committee comprises 3 independent directors, as follows:

Management Structure

	Name-Surname	Position	
1.	Mr. Suwit Chindasanguan	Chairman of Audit Committee	Independent Director. Knowledge in accounting and finance.
2.	Miss Potjanee Thanavaranit	Audit Committee Member	Independent Director. Knowledge in accounting and finance.
3.	Mr. Nararat Limnararat	Audit Committee Member	Independent Director. Knowledge in accounting and finance.

Note: Mr. Vikit Kachonnarongvanich, an Audit Committee Member, resigned from the position of a director of the Company on 13th July 2007.

The Audit Committee's term is 3 years, counting from the date of appointment, or according to the term as director. An Audit Committee Member who retires by completing his/her term may be re-appointed for not more than 2 consecutive terms. In 2007, the Audit Committee held 5 meetings and filed its reports to the Board of Directors.

Scope of Powers, Duties and Responsibilities of the Audit Committee

- (1) Ensure that the Company's financial reports are prepared correctly and adequately according to the generally accepted accounting standards.
- (2) Ensure that the Company has appropriate and efficient internal control and internal audit systems.
- (3) Ensure that the company comply correctly with the law governing securities and exchange, the rules of the Stocks Exchange of Thailand, or the laws related to the business of the Company.
- (4) Consider the disclosure of information of the Company, in the case there occur inter-related transactions or transactions that may have a conflict of interests, for the purpose of adequacy and transparency.
- (5) Consider selecting and nominating an auditor of the Company, including his/her fee.
- (6) Review the report of the results of auditing, guidelines on auditing, and assess the results of auditing on the various operations of the Company according to the method and standards generally recognized.
- (7) Approve audit plans of the department responsible for the auditing.
- (8) Prepare report of supervision of business by disclosing same in the Annual Report of the Company.
- (9) Review and propose an amendment to the scope of duties and responsibilities of the Audit Committee so that it be in conformity with the circumstances.
- (10) Carry out any other works as assigned by the Board of Directors with approval of the Audit Committee.

Besides, in order that the carrying out of works under the scope of powers and duties of the Audit Committee be efficient, the Audit Committee has the power to invite the Management, executives, or responsible persons to attend a meeting for clarification of opinions or to send documents deemed to be related and necessary, and has the power to hire an independent consultant or a professional expert in the case of necessity, or to make any other spending as related to the carrying out of duties, whereby the Company will be responsible for such expenses.

Compensation and Nominating Committee

The Board of Directors has approved the setting up of the Compensation and Nominating Committee, which at present comprises 4 members, as per the following list:

	Name-Surname	Position	
1.	Miss Potjanee Thanavaranit	Chairman	Non-Executive Director and Independent Director.
2.	Mr. Nararat Limnararat	Committee Member	Non-Executive Director and Independent Director.
3.	Mr. Thapana Sirivadhanabhakdi	Committee Member	Non-Executive Director.
4.	Mrs. Ornruedi Na-Ranong	Committee Member	Executive Director

Note: Mr. Vikit Kachonnarongvanich, Compensation and Nominating Committee, resigned on 13th July 2007.
 Mr. Suwit Chindasanguan, Compensation and Nominating Committee, resigned on 13th July 2007.
 Mr. Robert Paul Wallace Collins, Chairman of Compensation and Nominating Committee, resigned on 13th July 2007.

Management Structure

The Compensation and Nominating Committee's office term is 3 years, counting from the date of appointment or according to the term as director. In 2007, the Committee held altogether 2 meetings.

Scope of Powers, Duties and Responsibilities of Compensation and Nominating Committee

- (1) Prescribe bases and policy on the nomination of directors and sub-committee members of the Company.
- (2) Consider selecting and screening suitable persons to be a director, in the case the position of directorship is vacant, for proposing to the Board of Directors for approval and/or for seeking approval from the meeting of shareholders, as the case may be.
- (3) Consider selecting and screening suitable persons to hold the position of managing director upwards, in the case such a position is vacant.
- (4) Consider proposing list of names of suitable qualified directors to be appointed as sub-committee members to the Board of Directors of the Company for appointment, in the case such a position is vacant.
- (5) Consider proposing recommendations on the remunerations and any other benefits which are necessary and suitable, both financially and not financially, so as to attract and maintain the Board of Directors, Sub-Committees and/or for proposing to the meeting of shareholders for approval.
- (6) Prepare criteria and policy on the fixing of remunerations of the Board of Directors, Audit Committee, and Compensation and Nominating Committee, for proposing to the Board of Directors for approval and/or for proposing to the meeting of shareholders for approval, as the case may be.
- (7) Provide clarifications and answers to questions relating to the remunerations of the directors at the meeting of shareholders.
- (8) Carry out any other works as assigned by the Board of Directors of the Company and with approval of the Compensation and Nominating Committee.

Executive Committee

	Name-Surname	Position	
1.	Mr. Thapana Sirivadhanabhakdi	Executive Chairman	Non-Executive Director
2.	Mr. Panot Sirivadhanabhakdi	Executive Committee Member	Non-Executive Director
3.	Mr. Sithichai Chaikriengkrai	Executive Committee Member	Non-Executive Director
4.	Mrs. Ornruedi Na-Ranong	Executive Committee Member	Executive Director
5.	Mr. Thanapol Sirithanachai	Executive Committee Member	Executive Director
6.	Mrs. Kanyarattana Chok-oon-kit	Executive Committee Member	Executive Director
			(Appointed on 28 th February 2008)

Note: Mr. Robert Paul Wallace Collins, Chairman of the Executive Committee, tendered his resignation on 13th July 2007.

Mr. Ian Stuart Donnachie, Executive Director, tendered his resignation on 13th July 2007.

The Executive Committee comprises 6 members. In 2007, it held altogether 11 meetings.

Scope of Powers, Duties and Responsibilities of Executive Committee

Consider and set out policies, directions, strategies, targets, business plans, budgets, and various management powers of the Company and subsidiary companies jointly with the high-level executives for proposing to the Board of Directors for approval. Supervise and monitor results of operations of the Company so that it be in accordance with the approved business plans. Approve the operations of the Company and subsidiary companies in various matters according to the scope of powers assigned by the Board of Directors. Screen matters that the high-level executives has proposed in the part beyond the powers of the Executive Committee for proposing to the Board of Directors for consideration.

In any case, approvals must not be of a description that will enable the Executive Committee or the person authorized by the Executive Committee to approve transactions that they or the persons who may have conflicts, vested interests or may have any other conflict of interests (as prescribed by the SEC) conclude with the Company or subsidiary company, except it be an approval of transaction which is in line with the policy and criteria duly approved by the Board of Directors.

The Executives

The high-level executives of the Company and subsidiary companies of the Company comprise the following:

Executives of Univentures Public Company Limited		
1.	Mrs. Ornruedi Na-Ranong	Director and President
2.	Mr. Thanapol Sirithanachai	Director and Managing Director
3.	Mrs. Kanyarattana Chok-oon-kit	Executive Director – Finance and Administration

Management Structure

Executives of Subsidiary Companies

1.	Mr. Korntawat Kingngoen	Managing Director, Thai-Lysaght Co., Ltd.
2.	Mr. Noppadol Theerasilp	Managing Director, Forward System Ltd.
3.	Mr. Alongkorn Prathanrasnikorn	Managing Director, Univentures Asset Management Co.,Ltd. (Appointed on 1 st January 2008).
4.	Mr. Khumpol Poonsonee	Managing Director, Univentures Consulting Co., Ltd. (Appointed on 1 st January 2008)

Note: An executive refers to director, managing director or person holding the first four positions of executive level right after the managing director, and every person holding the position equivalent to the fourth person holding the executive level position.

However, all directors and executives of the company have possessed full qualifications as required by law, and there are no history of them having committed any offence against the laws, the Notices of the Office of the Securities and Exchange Commission (SEC) and the Stocks Exchange of Thailand (SET) in the past in relation to:

- (1) Having been judged that they committed a criminal offence.
- (2) Having been declared a bankrupt or having had their assets placed under receivership.
- (3) Having been an executive or a person with power to control a company or a partnership that has been declared bankrupt or having had assets placed under receivership.

Nomination, Appointment and Office Term

Board of Directors

According to the Articles of Association of the Company, the Board of Directors comprises no less than 5 directors, and not less than one-half of the total number of directors must have a residence in the Kingdom, and the directors of the Company must have possessed the qualifications and must not have prohibited descriptions as prescribed by law.

The directors are appointed by the meeting of shareholders by a majority of votes according to the following criteria and procedures:

- (1) One shareholder shall have one vote for each share he/she has held.
- (2) Each shareholder may exercise all of his/her votes to elect one or several directors, but he/she may not allot his/her votes to any candidates unequally.
- (3) Candidates who have received the highest number of votes in respective order shall be elected as directors equivalent to the required number of directors or the number of directors to be elected at the time. In the case the candidates in respective orders who have received equal votes exceed the required number of directors or the number of directors to be elected at that time, election shall be by drawing lots so as to acquire the number of directors required.

In the case of a vacancy in the position of director, for other reasons than completion of his/her term, the Board of Directors shall, by a majority of votes not less than three-fourths of the remaining number of directors, select any person who has possessed the qualifications and has not had the prohibited descriptions under the law as a replacement director in the next meeting of the Board of Directors, except where the remaining term of the said director is less than 2 months.

The Meeting of Shareholders may pass a resolution that any director retire from his/her post before completing his/her term by a majority of not less than three-fourths of the number of shareholders who attend the Meeting and have the right to vote, and with the total number of shares altogether not less than one-half of the number of shares held by the shareholders attending the Meeting and have the right to vote.

Committees

Audit Committee, Compensation and Nominating Committee, and Executive Committee are appointed by the Board of Directors.

Executive Officers

In appointing the highest executives from the managing director upwards, the Board of Directors shall appoint the Compensation and Nominating Committee to select those who have possessed full qualifications as prescribed and to nominate the persons who have passed the selection process and should be appointed to the Board of Directors for selecting suitable persons to take up the posts by a majority of votes.

Management Structure

As for other executive officers, the Board of Directors has assigned the President to select those who are suitable to take up the posts.

Remuneration for Directors and Executives

Monetary Remuneration

Remuneration for Directors

At the 28th Annual General Meeting of Shareholders on 20th April 2007, a resolution was passed that the remuneration for directors be fixed as proposed by the Compensation and Nominating Committee and the Board of Directors.

Remuneration for the Board of Directors consists of monthly compensation and meeting allowances. The Chairman of the Board of Directors receives a monthly retainer fee of Baht 16,000 per month and a meeting allowance of Baht 22,000 for each meeting. Each director receives a monthly retainer fee of Baht 8,000 per month and a meeting allowance of Baht 18,000 for each meeting.

Remuneration for Audit Committee consists of monthly compensation. The Chairman of the Audit Committee receives a monthly retainer fee of Baht 40,000 per month. Each Audit Committee member receives a monthly retainer fee of Baht 30,000 per month.

Remuneration for Compensation and Nominating Committee consists of meeting allowances. The Chairman of the Compensation and Nominating Committee receives a meeting allowance of Baht 22,000 per meeting. Each Compensation and Nominating Committee member receives a meeting allowance of Baht 18,000 per meeting.

Remuneration for Executive Committee* consists of monthly compensation. The Chairman of the Executive Committee receives a monthly retainer fee of Baht 25,000 per month. Each Executive Committee member receives a monthly retainer fee of Baht 20,000 per month.

In 2007 the remuneration for the Board of Directors and Sub-Committees are as follows:

	Total Remuneration (THB)
The Board of Directors	1,876,452
The Audit Committee	1,213,548
The Compensation and Nominating Committee	170,000
The Executive Committee*	260,000

Note: *Except executive committee member holding executive post of the company.

Summary of Comparison of Remuneration of Board of Directors and Committees of 2006 and 2007

Unit : THB	2006	2007
Remunerations (Monthly and Meeting Allowances)	2,838,000	3,520,000

Remuneration for Executives

In 2007, the remunerations received by the 7 executives from the Company in the form of salaries, bonuses, provident fund contributions, and other benefits, amounted to Baht --00-- million.

Other Remunerations

Other remunerations of directors, executives, and staff consist of Employee Stock Option Program (ESOP) for the directors, executives and staff of the Company and of subsidiary companies within a limited number of not more than 35 persons altogether 2 Programs (ESOP-W2/ESOP-W3) totaling 25,755,500 units. The warrants have a maturity of 5 years and an offering price per unit of Baht -0-. The exercise ratio is one unit of warrant per one ordinary share. The exercise price is Baht 1 per share. The objective is to motivate and compensate the directors and employees, so that they may perform their duties to the best of their abilities throughout, to an extent that it may create a feeling of possession and a participation in the management and development of the Company. The Company issued and offered the said ESOP on 19th December 2003.

Corporate Governance Policy

Univentures Public Company Limited is well aware of the importance of good corporate governance and believes that good corporate governance will benefit the company's operations, increase company value and generate long term shareholder benefits, as well as building confidence in the shareholders, investors, and all parties concerned. In order that the management be carried out transparently, fairly and examinable, taking into account the rights and equalities of the shareholders and the responsibilities to the stakeholders, the Board of Directors has adopted a policy on the supervision of the business of the company in writing, which is in line with the principle of supervision of good corporate governance of the Stocks Exchange of Thailand and the regulations of the Securities and Exchange Commission, whereby it is regularly revised. Also, the policy on good corporate governance is communicated for clear knowledge and understanding to the directors executives and staff of the Company so that they may practice it continuously, which cover the following principles:

- Responsibilities of the Board of Directors.
- Rights and equalities of shareholders and roles on stakeholders.
- Information disclosure and transparency.
- Risk management and internal control.
- Business ethics.

Shareholders: Rights and Equalities of Shareholders

The Company attaches importance to the rights and equalities of the shareholders, by adopting it as a basic policy of the shareholders, which are, the right to receive share certificates and to transfer shares, the right to the share of profits of the Company, the right to receive information of the Company sufficiently and in time and in a suitable form for decision making. Besides, the Company also gives importance to the rights of shareholders in attending and casting their votes at the shareholders' meetings for making important decisions of the Company, for example, election and removal of directors, approval of significant transactions which may affect the directions of the business operations of the Company, amendment of the Memorandum of Association and the Articles of Association of the Company, and approval of appointment of auditor.

The company has specified that there be held an ordinary shareholders' meeting once a year within 4 months from the end of the accounting period of the Company. And, in the case of urgency and necessity where an agenda needs to be proposed for consideration as a special case, the matter of which may affect or is related to the benefits of the shareholders or is concerned with the conditions or rules, laws, when an approval therefore is required from the shareholders, the Company will call an extraordinary shareholders' meeting. Further, the Board of Directors is well aware of the rights of the shareholders, and, as such, has paved the way to one or several shareholders holding shares and with right to vote altogether not more than 5 percent of the total number of the rights to vote of the Company to propose an agenda and nominate persons for appointment of directors in advance, so as to show that the Company treats every shareholder fairly and equally.

In addition, the Company has a policy to facilitate convenience to the shareholders and to treat all shareholders with equality and fairness, which is in line with the laws, by specifying that the right to cast votes at a meeting shall be per the number of shares each shareholder holds, whereby one share is entitled to one vote; by specifying that the independent directors must take care of the minority shareholders; by prescribing measures to prevent the use of inside information for personal gains or for other third parties dishonestly by the directors and the executives of the Company, including their spouses and underage children, whereby the directors and the executives are barred from trading the securities of the Company 1 month prior to the publication of the financial statements, and the directors and the executives shall also have the duty to report their holding of the securities of the Company and to prepare and send such reports to the Company for information, so that the director and the executives may not use the inside information to seek benefits which may cause damages to the shareholders as a whole.

Rights of Stakeholders

The Company attaches importance to its care and consideration on all groups of stakeholders, both inside and outside the Company, namely shareholders, directors, staff of the Company, customers, trade partners, creditors, competitors, other agencies with whom the Company has transacted business, and also to social and environmental responsibilities, by adopting guidelines for compliance in the Company's Code of Business Ethics, so that the directors, the executives, and the staff of the Company may strictly comply there with in the course of their performance, and which is regarded as the duties and disciplines that everyone must follow, as follows:

Shareholders: The Company will perform its duties with honesty and fairness, taking into account the growth of the value of the Company in the long-term period and the profitable returns to the shareholders.

Staff: The Company regards that the staff are a valued factor of success in achieving its the targets. As such, it provides opportunities to all staff regularly in regard to learning and development of knowledge and ability to the full extent of their potential. The Company also pays special attention to the working environments so that it be safe to the life and the property of the staff. Besides, the Company provides fair remunerations to the staff, whether it be in respect of salaries, welfare and other forms of remunerations.

Corporate Governance Policy

Customers: The company attaches importance to customer satisfaction and confidence in a way that they must receive good quality products and services at fair prices, while at the same time maintaining good relations and providing a process that the customers may lodge complaints concerning the quality, quantity, safety of its goods and services. The Company ensures that the customers will be provided with information concerning its goods and services correctly and adequately and in time. The customers' confidential information will also be protected, whereby it will not be disclosed without prior approval of the customers or the authorized persons of Company, and it will not be utilized illegitimately, except where it is an information that must be disclosed to a related third party under the provisions of the laws.

Competitors: The Company treats its competitors within the purview of competition law, whereby it will not infringe on their secrets, nor will it seek to obtain trade secrets through dishonest means or other inappropriate ways. It will also not destroy the reputation of its trade competitors by making false and malicious accusations.

Business Partners: The Company takes into account equality and fairness, as well as its
And/or Creditors utmost benefits, basing on fair returns to both parties, while avoiding a situation that may lead to a conflict of interest, but strictly complying with its obligations.

Communities and Society: The Company takes into consideration the benefits of all concerned as a whole and will not take any action that may damage the country's reputation, environments, and public interest, whereby it encourages the staff to be responsible for the society by rendering assistances and supports to activities which are beneficial to the public within the community areas where the Company is located, particularly educational development programs. The Company is well aware of the compliance with the standards relating to safety, health, and environments, so as to prevent impacts that could cause the loss of life and property of the community and the environments.

Shareholders' Meeting

In 2007 the Company held ordinary shareholders' meeting according to the regulations of the Stock Exchange of Thailand, by complying with the guidelines on holding shareholders' meeting of the Office of the Securities and Exchange Commission, so as to upgrade the quality of holding annual ordinary shareholders' meeting of the Company, as follows:

Prior to the Date of Meeting of Shareholders

In 2007 the Company held 1 ordinary shareholders' meeting and 1 extraordinary shareholders' meeting, whereby it disclosed the resolutions of the Board of Directors in regard to the holding of the shareholders' meetings on the web site of the Stock Exchange of Thailand as well as its own web site. The Company had published the information on the notice to attend shareholders' meeting containing details in full in its web site 30 days before the date of the meeting and readily sent the notice to attend meeting to the shareholders, in which stated important agendas in full under the law, the regulations of the Stock Exchange of Thailand and the Articles of Association of the Company, namely details on meeting agendas which clearly mentioned whether it be a matter for acknowledgement, for approval or for consideration, as well as opinions of the Board of Directors in each agenda clearly, minutes of the past meeting, annual report and meeting documents, documents which must be used in regard to proxies, which explicitly explained the procedures in the authorization of such proxies. The notice to attend meeting had been sent to the shareholders 14 days prior to the meeting and it was also published in a Thai language daily newspaper for not less than 3 consecutive days and not less than 3 days before the day of meeting, so as to give sufficient time for the shareholders to make preparation in studying the information for consideration concerning the meeting agendas before attending the meeting. The notice to attend meeting was sent to all shareholders whose names were listed in the Shareholders Register as at the date of closing of the Shareholders Register of the Company. Also, independent directors were appointed as proxies of the shareholders. In the case shareholders wished to authorize other persons to attend the meeting, they may appoint any person or an independent director of the Company as their proxies.

Date of Shareholders' Meeting

The Company fixed the place, day and time of meeting that afforded convenience to all shareholders equally and it also provided confidence in regard to security measures for the shareholders. The Company had stated in the meeting documents sent together with the notice to attend meeting of the process and the steps of attending the meeting, including the examination of documents or evidences showing rights to attend meeting, the arrangements of personnel at the registration desk, and the designation of sufficient points of service for registration, whereby the shareholders may register to attend the meeting 1 hour before the starting time of the meeting and which continued until the meeting of shareholders was completed. The Company also provided a suitable reception party for the shareholders who came to attend the meeting.

Corporate Governance Policy

At the shareholders' meeting, the President acted as the Chairman of the Meeting. Before the meeting was convened, the Chairman of the Meeting made a clarification on the details of the quorum, the method of casting votes, the counting of votes, the use of voting cards, the collection of voting cards, and the disclosure of the result of the counting of votes in each agenda in a clear and transparent way, and the keeping of voting cards for later verification. The shareholders were however given an opportunity to put forward their questions or to express their opinions suitably and sufficiently. The directors were then asked to make clarifications and to provide information to the shareholders. As for the casting of votes and the counting of votes, the Company strictly complied with the Articles of Association of the Company which states that 1 share equals to 1 vote and a resolution is by a majority of votes, whereby the voting cards were used specifically in the case where some shareholders lodged a protest or abstained from voting, and the voting cards shall be kept for verification thereafter. At the shareholders' meeting, a total of 6 directors attended the meeting, comprising the President, director, Chairman of the Audit Committee, Audit Committee Member, Chairman of the Compensation and Nominating Committee, Compensation and Nomination Committee Member. The representatives from various agencies and the auditor of the Company also attended the shareholders' meeting.

After the Shareholders' Meeting

The Company reported the resolutions of its shareholders' meeting via the news system of the Stock Exchange of Thailand on the following work day and also published same on the web site of the Company, stating the results of voting (for/against/abstention) in each agenda and sent the minutes of the shareholders' meeting, in which recorded the list of names of directors attending the meeting, the results of voting (for/against/abstention) in the agenda required for approval of the shareholders, including the questions put forward by the shareholders in each agenda, as well as the clarification of the Company, to the Stock Exchange of Thailand and the government agencies concerned, within 14 days from the date of shareholders' meeting, which was also published on the Company's web site.

Leadership and Visions

The Board of Directors comprises persons who have knowledge, ability, skills and work experience from various fields, thereby enabling them to perform their duties efficiently. The Board of Directors supervises the preparation of visions, targets, policies, directions of operations, strategic plans, business plans and annual budgets of the Company, by assigning the Management to make a proposal, and the Board of Directors will express its opinions and hold a discussion jointly with the Management to the full extent, so as to establish a joint opinion before approval. The Board of Directors also sees to it that the executives comply with the work plans and budgets duly set forth regularly, and monitors the results of operations, basing on the principle of laws, regulations, and resolutions of the shareholders' meeting, honestly and ethically, as well as supervising the administration of the Management so that it be in line with the targets and guidelines which would create utmost benefits to the shareholders.

Attending Training Courses of Board of Directors

The Board of Directors attaches importance to a continuous attending of seminars of courses related to knowledge development and ability to perform duties of the directors. In this respect, the directors of the Company have attended training courses of the IOD so as to apply the knowledge and experience gained from such courses in developing the Company and its subsidiary companies, as follows:

Name - Surname	Courses
1 Miss Potjaneer Thanavarant	<ul style="list-style-type: none">- Directors Certification Program (DCP 17)- The Role of Chairman Program (RCP 13)- Role of the Compensation Committee Program (RCC 4)
2 Mr. Suwit Chindasanguan	<ul style="list-style-type: none">- Directors Certification Program (DCP 44)- Directors Accreditation Program (DAP 14)- Audit Committee Program (ACP 4)- Role of the Compensation Committee Program (RCC 1)- Improving the Quality of Financial Reporting (QFR 2)
3 Mr. Nararat Limnararat	<ul style="list-style-type: none">- Directors Certification Program (DCP – initial)- Finance for Non-Finance Director (FND - 2004)
4 Mr. Thapana Sirivadhanabhakdi	<ul style="list-style-type: none">- Directors Accreditation Program (DAP 10)
5 Mr. Panot Sirivadhanabhakdi	<ul style="list-style-type: none">- Directors Certification Program (DCP 46)- Finance for Non-Finance Director (FND 10)
6 Mr. Sithichai Chaikriengkrai	<ul style="list-style-type: none">- Directors Certification Program (DCP 26)- DCP Refresher Course 2
7 Mrs. Ornruedi Na-Ranong	<ul style="list-style-type: none">- Diploma of Directors Certification Program (DCP 17)- DCP Refresher Course 3
8 Mr. Thanapol Sirithanachai	<ul style="list-style-type: none">- Directors Certification Program (DCP 39)- Directors Accreditation Program (DAP 10)

Directors Orientation

The Company arranges for an orientation of newly appointed directors, so that they may learn of the business policies of the Company, including related information, such as, capital structure, shareholders, results of operations, as well as laws, rules and information which are beneficial for the directors of the Company, as follows:

- 1 Public Company Limited Act B.E. 2535 (1992).
- 2 Good Practices for Listed Company Directors.
- 3 Certificate of Company Registration issued by Department of Business Development, Memorandum of Association, and Articles of Association of the Company.
- 4 Good Business Governance Manual of the Company.
- 5 Listed Company Directors Manual of SEC.
- 6 Recommendations on Giving of IT for Listed Company of 2006.
- 7 List of Inter-Related Transactions of Listed Company.
- 8 Principle of Good Corporate Governance for Listed Company of 2006.
- 9 Annual Report of the Company, both of Thai and English versions, and compact discs.

Conflicts of Interest

The Company has adopted a policy that none of its directors, executives, and staff may abuse their powers as directors, executives and staff to seek personal gains. This is clearly stated in the Code of Business Ethics in relation to practices for directors, executives and staff of the Company, which specifies that they must avoid making any transactions that are related to themselves which may cause a conflict of interest with the Company. In the event where it is necessary to make such transactions for the benefit of the Company, the Board of Directors prescribes that it must be so executed in line with the criteria laid down by the Stock Exchange of Thailand, whereby the prices and the conditions shall be as if they were made with third parties, and the directors or staff who have interests therein must have no part in the consideration of approval. In the case they are inter-related transactions under the Notice of the Stock Exchange of Thailand, it will be conducted in accordance with the criteria, procedures and disclosure of inter-related transactions of listed companies.

Besides, the Board of Directors has prescribed a prohibition that there shall be no use of any opportunity or information obtained in the capacity of director, executive or staff to seek personal gains, nor shall be conducted a business that is deemed to be in competition with the Company or a business related to the business of the Company, and there shall be no use of inside information for one's own benefit in the buying/selling of shares of the Company, nor shall there be given inside information to any third party for the purpose of trading the shares of the Company.

Code of Business Ethics

The Company is committed to operating its business transparently, honestly, morally, and with responsibility to the stakeholders as well as the society and the environments. In this respect, it has prescribed the practices in its Code of Business Ethics, so that they be clear and convenient for the directors, executives and staff of the Company to know of the guidelines on the business conduct and the rules and regulations of the Company. The Company has also prescribed that it is the duty and responsibility of all directors, executives and staff to learn, understand and comply with the policies and practices set forth in the Code of Business Ethics, whereby the supervisors at all levels must set a good example and have the duty to encourage their subordinates to also observe the prescribed practices.

Balance of Power of Non-Executive Directors

The appointment of directors of the Company is in line with the resolution of the ordinary shareholders' meeting as duly considered by the Compensation and Nominating Committee and the Board of Directors respectively. According to the Articles of Association of the Company, the Board of Directors comprises at least 5 directors. As at 28th February 2008, the Board of Directors had 8 directors, as follows:

- 6 non-executive directors, or 75 percent of the total number of directors. There are 3 independent directors, or 37.50 percent of the total number of directors, a number of which is great enough to balance the power within the Board of Directors.
- 2 executive directors.

Therefore, the stakeholders can rest assured that the directors of the Company will perform their duties in the capacity of the representatives of the shareholders quite independently and there is a suitable balance of power within the Board.

Corporate Governance Policy

Evaluation of Performances of Board of Directors and Committees

The Board of Directors has passed a resolution approving an evaluation form of the entire Board of Directors for use in the evaluation of their own performances, whereby the Board will make such an evaluation every year, so that it may consider reviewing its accomplishments, issues and obstacles in the past year, and also preparing a summary of results of evaluation of its directors for consideration by the Board in order that the said evaluation be used in improving the operations so as to make it more efficient. Further, the Company also makes an evaluation of the performances of the President and the Managing Director at the same time.

Aggregation and Segregation of Positions

The Board of Directors specifies that the Chairman who is a non-executive director must not be the President, and he/she must not have any relations with the Management, whereby the roles, powers and duties, and responsibilities in the carrying out of works of the Board of Directors and the Management are clearly separated and stated in writing.

Remunerations of Directors and Executive Officers

The Board of Directors specifies that the Compensation and Nominating Committee shall consider fixing the remunerations of the directors, committee members and top executive officers of the Company. And, in order to motivate and keep quality directors, as required by the Company, who are comparable to those performing duties in the same industry, the directors and committee members who are assigned additional responsibilities should therefore receive increasing and suitable remunerations. As for the executive officers and the Management, they should receive remunerations in connection with the results of operations of the Company and the results of their performance individually, so as to follow the good corporate governance principle adopted by the Stock Exchange of Thailand, as well as the internationally recognized good corporate governance principles. The remunerations of directors shall be in accordance with the resolution approved by the ordinary shareholders' meeting. Details of remunerations of directors and executive officers in 2007 are shown under the heading of remunerations of directors and executive officers.

Meeting of Board of Directors

The Company fixes the meetings of the Board of Directors in advance throughout the year and readily informs the directors of such scheduled meetings, whereby a meeting of the Board of Directors will be held at least once every quarter. In the case of urgency, there may be held a meeting of Board of Directors additionally according to suitability. In order that the Board of Directors may perform its duties efficiently, in holding a meeting of the Board of Directors the Company will send a notice to attend meeting stating the meeting agendas clearly, along with the meeting documents which are complete and sufficient for the Board of Directors to study them at least 5-7 days before the meeting is held. Each meeting will take about 1-3 hours. All directors are given opportunities to discuss and express opinions openly. The Chairman of the Company shall compile opinions and conclusions obtained from the meeting. In the case where a director with significant vested interest in the matter under consideration, such director must leave the meeting during the consideration of the said matter. Minutes of the meeting are recorded in writing and presented to the Board of Directors for consideration before they are adopted at the next meeting. The documents filed comprise the minutes of the meeting which are in the form of original hardcopy files and in the form of electronics file, including the meeting documents, for the purpose of easy reference by the directors and concerned persons.

In 2007 the Board of Directors held 4 ordinary meetings and 4 extraordinary meetings.

Sub-committees

The Board of Directors has appointed directors who have suitable knowledge and expertise as sub-committees to help perform duties, study and screen important matters which need to be supervised closely, and to propose their opinions to the Board of Directors accordingly. The structure, scope of duties and responsibilities of the sub-committees are detailed under the heading of Management.

Internal Control and Internal Auditing

The Board of Directors has set up an internal control system that covers finance, operations, and proceedings, so that they be in accordance with related laws, rules, and regulations. Also, the internal control system has an inspection mechanism and balance in regard to the preservation and the custody of the capital of the shareholders as well as the assets of the Company. There is an internal inspection department whose duties are to inspect and the performances of all departments to see if they are in line with the regulations so laid down. Efficiency and sufficiency of the internal control system are also assessed. Anyhow, the Board of Directors specifies that the internal inspection department must be independent for the purpose of effective inspection and balance, whereby it shall report directly to the Board of Directors regularly according to the scheduled period fixed.

As regards the risk management, the Board of Directors has made arrangements that there be an assessment of risk factors, and has drafted a risk management plan to monitor and assess the results of operations under such plan, whereby the Board of Directors will review and follow up the important risk management items continuously.

Reports of the Board of Directors

The Board of Directors is responsible for the combined financial reports of the Company and of its subsidiary companies as well as financial information appearing in the Annual Report. However, the Board of Directors has assigned the Audit Committee to be responsible for the preparation of financial statements of the Company and of its subsidiary companies so that they be correct according to the generally accepted accounting standards in Thailand, that there be applied suitable accounting policy which is regularly practiced. The Board of Directors also has already given its opinions in the report of responsibility of the Board of Directors to the financial reports along with the report of the Audit Committee and the report of the certified auditor.

Relations with Investors

The Company has all along attached importance to the disclosure of financial information and non-financial information according to the stipulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, accurately, adequately, transparently, regularly and in time, throughout various channels, both directly and indirectly. It has also assigned the President and/or the Managing Director to communicate directly with the shareholders, investors and securities analysts both within and without the country. This was done by having arranged analyst meetings for the presentation of information in regard to the progress of the business operation as well as answering questions concerning the Company to the investors and securities analysts; by having participated in an event called the Opportunity Day organized by the Stock Exchange of Thailand where it had meetings with small investors; by having held press conferences for publication of press releases. Such proceedings are in addition to the disclosure of various information to the Stock Exchange of Thailand and via the web site of the Company, www.univentures.co.th so that the stakeholders of all groups concerned with the activities of the Company may learn of its information equally.

Overseeing Use of Inside Information

The Company has a policy on disclosure of its information, transparency, financial reports, operations, by specifying as rules for practices respecting disclosure of financial information and others as related to the business and the results of operations of the Company which are accurate, complete, adequate, reliable, on a regular basis and in time, to the shareholders, investors, securities analysts and the general public. The Board of Directors also sees to it that there be strict compliance with the laws, rules and regulations governing disclosure of information and transparency. Whenever there is a change of directors or executives, or a change of shares trading according to the stipulations of the Office of the Securities and Exchange Commission, such are reported to the Operations Supervision Department at all times, so as to ensure that the directors or the executives may manage and operate the business honestly and transparently, and that they may play a part in creating confidence among the shareholders and the general investors alike.

In relation to the use of inside information, the Company regards that it shall be the responsibility of the directors, executives and staff, who must strictly maintain the confidential information of the Company, particularly the inside information which is not yet disclosed to the public or the information that may affect the business operations or the share prices. In this respect, it has been specified that no directors, executives, or staff of the Company shall utilize the opportunity or the information obtained in their capacity to seek personal gains; that no inside information shall be used for their personal benefits in the trading of the Company's shares; that no inside information shall be given to any third party for the purpose of shares trading of the Company and in regard to businesses which is competitive to that of the Company or related business of the Company; and that no business secrets of the Company shall be disclosed to any third party, especially the competitors of the Company, even though they are no longer a director, executive officer or staff of the Company. As such, in order to prevent the directors, executives and staff who have access to the information of the Company from utilizing such information they have come across for seeking benefits, which is a violation of their duties and responsibilities to the Company and the shareholders, it is prescribed that such information may only be made known to the directors and top executives concerned, and it is prohibited for the directors and executives to trade in the securities of the Company 1 month before the financial statements are published, whereby every 3 months the Company will notify the Board of Directors and the Management of the period during which the buying/selling of the Company's shares is prohibited.

Any violation which causes the Company to sustain damages or to lose business opportunities, the Company shall regard such as an action that is against the policy and the Code of Business Ethics, whereby the violator shall be subject to severe disciplinary punishment, not to mention that he/she is also punishable under the Securities and Exchange Act B.E. 2535 (1992).

Corporate Governance Policy

Meeting Attendance of Each Director

List of Directors	Board of Directors	Attendance of Meetings (Times)			Holding Position During
		Audit Committee	Compensation and Nominating Committee	Management	
1. Miss Potjanee Thanavararit	4/4	2/3	1/1	-	18 Jul 07
2. Mr. Suwit Chindasanguan	8/8	5/5	-	-	-
3. Mr. Nararat Limnararat	8/8	5/5	2/2	-	-
4. Mr. Thapana Sirivadhanabhakdi	4/4	-	1/1	3/5	18 Jul 07
5. Mr. Panot Sirivadhanabhakdi	4/4	-	-	5/5	18 Jul 07
6. Mr. Sithichai Chaikriengkrai	4/4	-	-	5/5	18 Jul 07
7. Mrs. Ornruedi Na-Ranong	8/8	-	2/2	11/11	-
8. Mr. Thanapol Sirithanachai	8/8	-	-	11/11	-

Securities Holding of Directors of 2007

List of Directors	No. of Shares Held	ESOP #2		ESOP #3		Note
		Allocated	Remaining	Allocated	Remaining	
1. Miss Potjanee Thanavararit	-	-	-	-	-	Appointed on 18 July 2007.
2. Mr. Suwit Chindasanguan	500,000	500,000	-	-	-	-
3. Mr. Nararat Limnararat	-	-	-	-	-	-
4. Mr. Thapana Sirivadhanabhakdi	195,751,363*	-	-	-	-	Appointed on 18 July 2007.
5. Mr. Panot Sirivadhanabhakdi	195,751,363*	-	-	-	-	Appointed on 18 July 2007.
6. Mr. Sithichai Chaikriengkrai	-	-	-	-	-	Appointed on 18 July 2007.
7. Mrs. Ornruedi Na-Ranong	6,841,000	2,497,500	2,497,500	2,002,500	2,002,500	-
8. Mr. Thanapol Sirithanachai	1,200,000	-	-	3,500,000	800,000	-

Note: Being the holding of shares indirectly via the Adelfos Co., Ltd. which holds shares in the Univentures Public Company Limited at 391,502,726 shares and Mr. Thapana Sirivadhanabhakdi and Mr. Panot Sirivadhanabhakdi hold shares in the Adelfos Co., Ltd. altogether at 100 %

Remunerations of Company's Directors of 2007

List of Directors	Board of Directors	Audit Committee	Remunerations (Baht)			Total
			Compensation and Nomination Committee	Management		
1 Miss Potjanee Thanavararit	171,613	163,548	22,000	-	357,161	
2 Mr. Suwit Chindasanguan	240,000	480,000	22,000	-	742,000	
3 Mr. Nararat Limnararat	240,000	360,000	36,000	-	636,000	
4 Mr. Thapana Sirivadhanabhakdi	115,613	-	18,000	100,000	233,613	
5 Mr. Panot Sirivadhanabhakdi	115,613	-	-	80,000	195,613	
6 Mr. Sithichai Chaikriengkrai	115,613	-	-	80,000	195,613	
7 Mrs. Ornruedi Na-Ranong	240,000	-	36,000	-	276,000	
8 Mr. Thanapol Sirithanachai	240,000	-	-	-	240,000	
9 Mr. Robert Paul Wallace Collins*	178,000	-	18,000	-	196,000	
10 Mr. Ian Stuart Donnachie*	110,000	-	-	-	110,000	
11 Mr. Vikit Kachonnarongvanich*	110,000	210,000	18,000	-	338,000	

Note: * Directors who retired on 13th July 2007.

Corporate Governance Policy

Auditor's Fee

The Audit Committee is responsible for the preliminary selection of the auditor, basing on the qualifications, the independency and the ability to review the financial statements within the designated timeframe, and who has knowledge and expertise in relation to auditing services, while also understanding the business of the group of companies. The Audit Committee shall then forward its opinion to the Board of Directors for consideration and nominating the said auditor for appointment at the shareholders' meeting.

Auditor's Fee

In the past fiscal year the Company and its subsidiary companies paid the auditor's fee to the Ernst and Young Office Co., Ltd., with whom the auditor works, in the total amount of Baht 2,330,000, consisting of auditor's fee of the Company at Baht 740,000 and for the subsidiary companies at Baht 1,590,000.

Non-Audit Fee

In the past fiscal year, the Company and its subsidiary companies did not make payment of any non-audit fee to the auditor, person or business related to the auditor and the auditing office where the auditor was employed, and there were no future expenses arisen from an agreement that the services therefore were not yet completed in the past fiscal year.

Legal Disputes

Legal Case That May Render Negative Effects on Assets

The Company has no legal cases which may render negative effects on the assets of the Company and of its subsidiary companies of an amount higher than 5 percent of the shareholder's equity as at the end of the last fiscal year, or legal cases of an amount higher than 10 percent of the revolving assets as at the end of the fiscal year.

Legal Case That May Affect Business Operations Significantly

The Company has no legal cases that have significant legal effects on its business operations but which cannot be assessed in figures, or any legal cases not arisen from its normal business operations.

Report of the Audit Committee

To The Shareholders

The Audit Committee of Univentures Public Company comprises 3 independent directors, all of whom have had knowledge, abilities, expertise and experience in specific fields, and have also possessed full qualifications under the rules of the Audit Committee, with Mr. Suwit Chindasanguan as Chairman, Miss Potjanee Thanavaranit and Mr. Norarat Limnararat as Audit Committee members. Each member of the Audit Committee has no part in the management, and is not also an executive officer or a staff or a person with power to control the company or the subsidiary companies and joint companies whatsoever.

The Audit Committee has performed its duties according to the scope of duties and responsibilities as assigned by the Board of Directors and which are in accordance with the code of best practices of Audit Committee prescribed by the Stock Exchange of Thailand, including a review on financial reports, a review on suitability of internal control system, a review on disclosure of information in the case there arise related transactions or transactions that may have conflicts of interest, so as to ensure that it be carried out accurately and adequately, as well as a selection and nomination of a certified auditor of the Company for appointment, and a fixing of the auditor's fee.

In 2007, the Audit Committee held altogether 5 meetings, and each meeting was always attended by all Audit Committee members. The Audit Committee also held joint meetings with the representatives of the Management, the auditor, and the internal auditor, whereby it had reviewed the preparation of the past quarterly and annual financial reports duly audited by the certified public accountant. In this regard, the responsible executives had answered certain queries put forward by the Audit Committee before the Audit Committee approved the financial statements. The Audit Committee is of an opinion that financial statements considered each time had been prepared in accordance with the generally accepted accounting standards, and there had been disclosed significant data adequately and accurately in the material parts according to the opinion of the certified public accountant attached to the said quarterly and annual financial statements before forwarding same to the Board of directors for approval. Besides, the Audit Committee has reviewed the qualifications of the said auditor and it is of an opinion that her qualifications are in line with the requirements set forth by the Notices of the Office of the Securities and Exchange Commission and of the Stock Exchange of Thailand and has also considered the appropriate fee of the auditor. Hence, the Audit Committee has passed a resolution that a proposal be forwarded to the Board of Directors of the Company to seek an approval from the General Meeting of Shareholders that an auditor from the KPMG Phoomchai Auditor Limited be appointed as the auditor of the Company and that his/her fee be accordingly fixed for the year 2008. Further, the Audit Committee has given its opinion that the Company had suitable and sufficient internal control system, that there were no significant shortcomings, and there had been disclosure of information to the public adequately, and the law governing securities and exchange, the regulations of the Stock Exchange of Thailand, and the law concerning the businesses of the company, had duly and correctly been complied with. Also, related transactions or transactions that may have conflicts of interest had duly been reviewed, for the purpose of transparency.



Mr. Suwit Chindasanguan
Chairman of the Audit Committee


Report of the Board of Directors' Responsibility in Financial Statements

The Board of Directors of Univentures Public Company Limited is responsible for the combined financial statements of Univentures Public Company Limited and its subsidiary companies, as well as IT financial information shown in the annual report and in the financial statements of the Company. The said financial statements had been prepared according to the generally accepted accounting standards, by choosing suitable accounting policy for practices regularly, while there had also been disclosed significant information sufficiently and transparently in the Notes to Financial Statements, for the benefits of both shareholders and general investors alike. The said financial statements had been audited and opinionated unconditionally by an independent auditor.

The financial statements of the Company and its subsidiary companies had been audited by Miss Thipawan Nananuwat, a certified public accountant of registration no. 3459 of the Ernst and Young Office Limited, who is recognized by the Office of the Securities and Exchange Commission.

The Board of Directors has set up and maintained a suitable and effective internal control system, so as to ensure that the recording of accounting data of the Company and its subsidiary companies are correct, complete, sufficient, in time, and that there be a prevention of corruption opportunities or significant irregularities. As such, in order that there be conducted a revision on the internal control system continuously and that there be a review on the working system regularly, the Board of Directors has duly appointed an Audit Committee, comprising independent committee members, whose responsibilities are to review the financial reports of the Company and of its subsidiary companies, so that there be presented accurate and adequate information, as well as having reliable internal control system and internal auditing. The Audit Committee's opinions on the said matters appear in the Audit Committee's Report already shown in this Annual Report.

The Board of Directors is of an opinion that on the whole the internal control system of the Company and of its subsidiary companies are satisfactory and can create confidence reasonably that the financial statements of the Univentures Public Company Limited and of its subsidiary companies for the year ending 31st December 2007 have shown the financial position and the results of operations accurately and reasonably in the material parts according to the generally accepted accounting standards.



Miss Potjanee Thanavarant
Chairman of the Board

Report of Independent Auditor

Report of Independent Auditor

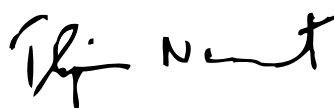
To the Shareholders of Univentures Public Company Limited

I have audited the accompanying consolidated balance sheets of Univentures Public Company Limited and its subsidiaries as at 31 December 2007 and 2006, the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended, and the separate financial statements of Univentures Public Company Limited for the same periods. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Univentures Public Company Limited and its subsidiaries and of Univentures Public Company Limited as at 31 December 2007 and 2006, the results of their operations and cash flows for the years then ended, in accordance with generally accepted accounting principles.

Without qualifying my opinion on the above financial statements, I draw attention to the matter as discussed in Note 4 to the financial statements whereby, effective 1 January 2007, the Company changed its accounting policy for recording investments in subsidiaries and associates in the separate financial statements from the equity method to the cost method. The Company has thus restated the separate financial statements as at 31 December 2006 and for the year then ended to reflect this accounting change.



Thipawan Nananuwat

Certified Public Accountant (Thailand) No. 3459

Ernst & Young Office Limited

Bangkok: 28 February 2008

BALANCE SHEETS

UNIVENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT 31 DECEMBER 2007 AND 2006

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2007	2006	2007	2006 (Restated)
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		825,081,679	312,861,430	581,142,660	78,906,131
Current investment		101,183,966	-	100,000,000	-
Trade accounts receivable	7				
Related parties	6.1	171,200	524,300	131,653	14,552
Unrelated parties		218,464,072	229,492,020	201,278,627	203,384,921
Less : Allowance for doubtful accounts		(2,592,875)	(2,847,188)	-	-
Trade accounts receivable - net		216,042,397	227,169,132	201,410,280	203,399,473
Others receivable - related parties	6.2	9,001,550	-	-	19,513,097
Short-term loans to related parties	6.3	250,000,000	438,546,700	330,500,000	441,812,740
Inventories - net	8	141,406,931	127,967,764	118,290,641	87,478,884
Project development cost	9	56,421,045	92,501,530	-	-
Other current assets					
Interest receivable from related parties	6.4	37,592,625	15,304,564	38,069,816	15,369,415
Other debtors		2,889,325	22,472,768	72,078	7,910,601
Others		11,827,124	4,399,571	9,642,973	2,801,884
TOTAL CURRENT ASSETS		1,651,446,642	1,241,223,459	1,379,128,448	857,192,225
NON-CURRENT ASSETS					
Deposits at financial institution subject to restriction		546,000	-	-	-
Investments in subsidiaries - net	10	-	-	300,122,532	334,618,197
Investments in associates - net	11	50,950,843	66,418,330	49,339,000	58,065,520
Investment in available-for-sale securities - net	12	69,705,398	61,574,498	-	-
Project under development	13	171,356,681	-	-	-
Property, plant and equipment - net	14	205,655,128	179,524,606	125,697,886	128,274,142
Goodwill - net		299,580	471,497	-	-
Other non-current assets		9,538,389	6,651,593	3,536,128	3,270,586
TOTAL NON-CURRENT ASSETS		508,052,019	314,640,524	478,695,546	524,228,445
TOTAL ASSETS		2,159,498,661	1,555,863,983	1,857,823,994	1,381,420,670

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

BALANCE SHEETS (Continued)

UNIVENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AS AT 31 DECEMBER 2007 AND 2006

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2007	2006	2007	2006 (Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans	15	1,210,148	84,013,459	-	50,000,000
Trade accounts payable					
Related party	6.5	-	-	599,200	2,525,200
Unrelated parties		36,921,905	21,515,923	31,373,665	17,773,481
Total trade accounts payable		36,921,905	21,515,923	31,972,865	20,298,681
Others payable - related parties	6.6	-	-	6,859,056	7,214,732
Short-term loans from related parties	6.7	32,850,000	8,850,000	-	13,000,000
Others current liabilities					
Accrued expenses		4,900,211	14,875,105	2,245,363	5,660,005
Corporate income tax payable		27,632,035	17,072,635	21,028,598	15,581,313
Other payable	13	109,000,000	-	-	-
Current portion of liabilities under hire purchase agreement		137,073	3,435,645	137,073	3,008,533
Others		9,130,100	8,156,456	1,646,163	4,263,210
TOTAL CURRENT LIABILITIES		221,781,472	157,919,223	63,889,118	119,026,474
NON-CURRENT LIABILITIES					
Liabilities under hire purchase agreement		57,114	194,187	57,114	194,187
TOTAL NON-CURRENT LIABILITIES		57,114	194,187	57,114	194,187
TOTAL LIABILITIES		221,838,586	158,113,410	63,946,232	119,220,661

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

BALANCE SHEETS (Continued)

UNIVENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AS AT 31 DECEMBER 2007 AND 2006

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2007	2006	2007	2006 (Restated)
SHAREHOLDERS' EQUITY					
Share capital	16				
Registered					
944,528,490 ordinary shares of Baht 1 each		944,528,490	944,528,490	944,528,490	944,528,490
Issued and fully paid					
762,268,274 ordinary shares of Baht 1 each					
(2006 : 530,455,899 ordinary shares of Baht 1 each)	16	762,268,274	530,455,899	762,268,274	530,455,899
Additional paid-in capital (deficit)					
Premium on ordinary shares		473,332,950	241,046,732	473,332,950	241,046,732
Revaluation surplus on land	17	138,033,416	138,033,416	103,091,000	103,091,000
Unrealised loss on investments	12	(20,307,030)	(28,437,930)	-	-
Share subscription received in advance	16.5	998,860	2,485,900	998,860	2,485,900
Retained earnings					
Appropriated - statutory reserve	18	45,402,000	39,031,000	42,920,000	36,800,000
Unappropriated		509,868,090	468,587,434	411,266,678	348,320,478
EQUITY ATTRIBUTABLE TO THE COMPANY'S SHAREHOLDERS		1,909,596,560	1,391,202,451	1,793,877,762	1,262,200,009
Minority interest - equity attributable to minority shareholders of subsidiaries		28,063,515	6,548,122	-	-
TOTAL SHAREHOLDERS' EQUITY		1,937,660,075	1,397,750,573	1,793,877,762	1,262,200,009
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,159,498,661	1,555,863,983	1,857,823,994	1,381,420,670

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

INCOME STATEMENTS

UNIVENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2007	2006	2007	2006 (Restated)
REVENUES					
Sales		1,361,221,472	1,318,643,506	1,139,372,030	1,091,635,152
Revenue from sale of condominium units		97,078,290	145,633,040	-	-
Share of income from investments in associates	11.1	-	15,076,940	-	-
Other income					
Interest income		43,159,981	32,252,315	42,325,901	31,812,477
Dividend income		2,519,117	7,379,557	43,913,717	220,381,472
Gain on sales of investments in subsidiary		-	-	4,459,808	28,427,150
Gain on sales of investments in available for-sale securities		-	3,545,849	-	6,197,022
Gain on sales of loan collateral		7,879,321	9,539,786	-	-
Gain on sales of property, building and equipment for rent		-	1,142,211	-	-
Services income		9,535,792	3,243,878	3,780,000	3,780,000
Others		25,802,411	22,500,668	15,669,496	10,552,661
TOTAL REVENUES		1,547,196,384	1,558,957,750	1,249,520,952	1,392,785,934
EXPENSES					
Cost of sales		1,185,156,680	1,153,398,746	987,857,405	954,722,989
Cost of condominium unit sales		80,535,130	106,335,645	-	-
Selling and administrative expenses		113,181,801	101,554,393	70,252,761	62,679,087
Loss on diminution in value of investment in subsidiaries and associates	11.1	-	-	21,976,272	1,610,837
Share of loss from investments in associates		9,890,205	-	-	-
TOTAL EXPENSES		1,388,763,816	1,361,288,784	1,080,086,438	1,019,012,913
INCOME BEFORE INTEREST EXPENSES AND CORPORATE INCOME TAX		158,432,568	197,668,966	169,434,514	373,773,021
INTEREST EXPENSES		(2,007,553)	(8,557,924)	(1,180,645)	(5,940,051)
CORPORATE INCOME TAX		(54,473,928)	(43,046,213)	(45,893,489)	(37,809,144)
INCOME AFTER CORPORATE INCOME TAX		101,951,087	146,064,829	122,360,380	330,023,826
NET (INCOME) LOSS ATTRIBUTABLE TO MINORITY INTEREST		(1,005,251)	335,956	-	-
NET INCOME FOR THE YEAR		100,945,836	146,400,785	122,360,380	330,023,826
EARNINGS PER SHARE	21				
Basic earnings per share					
Net income		0.16	0.28	0.19	0.62
Weighted average number of ordinary shares (shares)		640,699,993	530,401,829	640,699,993	530,401,829
Diluted earnings per share					
Net income		0.15	0.27	0.19	0.62
Weighted average number of ordinary shares (shares)		654,741,501	536,149,197	654,741,501	536,149,197

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

UNIVENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006
(Unit: Baht)

Consolidated financial statements

	Note	Issued and paid-up share capital	Premium on ordinary shares	Revaluation surplus on land	Unrealised loss on investments	Share subscription received in advance	Retained earnings				Total
							Appropriated statutory reserve	Unappropriated	Minority interest		
Balance as at 31 December 2005		527,671,999	241,046,732	138,033,416	(60,699,784)	2,672,400	29,450,000	384,802,089	2,484,078	1,265,460,930	
Increase in share capital as a result of warrants exercise		2,783,900	-	-	-	(2,672,400)	-	-	-	111,500	
Share subscription received in advance		-	-	-	-	2,485,900	-	-	-	2,485,900	
Realised loss on sales of investments		-	-	-	23,739,052	-	-	-	-	23,739,052	
Unrealised gain on investments		-	-	-	8,522,802	-	-	-	-	8,522,802	
Dividend paid	24	-	-	-	-	-	-	(53,034,440)	-	(53,034,440)	
Increase in minority interest - equity attributable to minority shareholders of subsidiary		-	-	-	-	-	-	-	-	-	
Net income for the year		-	-	-	-	-	-	146,400,785	(335,956)	146,064,829	
Increase in statutory reserve of subsidiary		-	-	-	-	-	2,231,000	(2,231,000)	-	-	
Transferred to statutory reserve		-	-	-	-	-	7,350,000	(7,350,000)	-	-	
Balance as at 31 December 2006		530,455,899	241,046,732	138,033,416	(28,437,930)	2,485,900	39,031,000	468,587,434	6,548,122	1,397,750,573	
Balance as at 31 December 2006		530,455,899	241,046,732	138,033,416	(28,437,930)	2,485,900	39,031,000	468,587,434	6,548,122	1,397,750,573	
Increase in share capital	16.3	221,500,000	228,634,168	-	-	-	-	-	-	450,134,168	
Increase in share capital as a result of warrants exercise	16.1, 16.2, 16.4	10,312,375	3,652,050	-	-	(13,964,425)	-	-	-	-	
Share subscription received in advance		-	-	-	-	12,477,385	-	-	-	12,477,385	
Unrealised gain on investments		-	-	-	8,130,900	-	-	-	-	8,130,900	
Dividend paid	24	-	-	-	-	-	-	(53,294,180)	-	(53,294,180)	
Minority interest of subsidiaries		-	-	-	-	-	-	-	20,510,142	20,510,142	
Net income for the year		-	-	-	-	-	251,000	100,945,836	1,005,251	101,951,087	
Increase in statutory reserve of subsidiary		-	-	-	-	-	(251,000)	(251,000)	-	-	
Transferred to statutory reserve		-	-	-	-	-	6,120,000	(6,120,000)	-	-	
Balance as at 31 December 2007		762,268,274	473,332,950	138,033,416	(20,307,030)	998,860	45,402,000	509,868,090	28,063,515	1,937,660,075	

The accompanying notes are an integral part of financial statement

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

UNIVENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006
(Unit: Baht)

Separate financial statements

	Note	Issued and paid-up share capital	Premium on ordinary shares	Revaluation surplus on land	Unrealised loss on investments	Share subscription received in advance	Retained earnings		Total
							Appropriated - statutory reserve	Unappropriated	
Balance as at 31 December 2005 - as previously reported		527,671,999	241,046,732	138,033,416	(60,699,784)	2,672,400	29,450,000	384,802,089	1,262,976,852
Cumulative effect of the change in accounting policy for investments in subsidiaries and associates	4	-	-	(34,942,416)	63,817,986	-	-	(306,120,997)	(277,245,427)
Balance as at 31 December 2005 - as restated		527,671,999	241,046,732	103,091,000	3,118,202	2,672,400	29,450,000	78,681,092	985,731,425
Increase in share capital as a result of warrants exercise		2,783,900	-	-	-	(2,672,400)	-	-	111,500
Share subscription received in advance		-	-	-	-	2,485,900	-	-	2,485,900
Realised gain on sales of investments		-	-	-	(3,118,202)	-	-	-	(3,118,202)
Dividend paid	24	-	-	-	-	-	-	(53,034,440)	(53,034,440)
Net income for the year		-	-	-	-	-	-	330,023,826	330,023,826
Transferred to statutory reserve		-	-	-	-	-	7,350,000	(7,350,000)	-
Balance as at 31 December 2006 - as restated		530,455,899	241,046,732	103,091,000	-	2,485,900	36,800,000	348,320,478	1,262,200,009
Balance as at 31 December 2006 - as previously reported		530,455,899	241,046,732	138,033,416	(28,437,930)	2,485,900	36,800,000	470,818,434	1,391,202,451
Cumulative effect of the change in accounting policy for investments in subsidiaries and associates	4	-	-	(34,942,416)	28,437,930	-	-	(122,497,956)	(129,002,442)
Balance as at 31 December 2006 - as restated		530,455,899	241,046,732	103,091,000	-	2,485,900	36,800,000	348,320,478	1,262,200,009
Increase in share capital	16.3	221,500,000	228,634,168	-	-	-	-	-	450,134,168
Increase in share capital as a result of warrants exercise	16.1, 16.2, 16.4	10,312,375	3,652,050	-	-	(13,964,425)	-	-	-
Share subscription received in advance		-	-	-	-	12,477,385	-	-	12,477,385
Dividend paid	24	-	-	-	-	-	-	(53,294,180)	(53,294,180)
Net income for the year		-	-	-	-	-	-	122,360,380	122,360,380
Transferred to statutory reserve		-	-	-	-	-	6,120,000	(6,120,000)	-
Balance as at 31 December 2007		762,268,274	473,332,950	103,091,000	-	998,860	42,920,000	411,286,678	1,793,877,762

The accompanying notes are an integral part of financial statement

CASH FLOWS STATEMENTS

UNIVENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006 (Restated)
Cash flows from (used in) operating activities				
Net income	100,945,836	146,400,785	122,360,380	330,023,826
Adjustments to reconcile net income to net cash provided by (paid from) operating activities :-				
Share of (income) loss from investments in associates	9,890,205	(15,076,940)	-	-
Net income (loss) attributable to minority interest	1,005,251	(335,956)	-	-
Amortisation of goodwill	311,861	2,069,166	-	-
Loss on diminution in value of investment in subsidiaries and associates	-	-	21,976,272	1,610,837
Depreciation	10,988,998	13,546,989	6,052,220	6,041,199
Amortisation of interest expenses	-	1,143,667	-	1,143,667
Doubtful accounts	8,209,149	2,228,969	3,463,461	1,871,984
Write-off other receivable - revenue department	3,209,601	-	3,209,601	-
Loss from obsolete inventories	2,253,451	474,075	-	-
Dividend income	(2,519,117)	(7,379,557)	(43,913,717)	(220,381,472)
Gain on sales of investment in subsidiary	-	-	(4,459,808)	(28,427,150)
Gain on sales of available-for-sale securities	-	(3,545,849)	-	(6,197,022)
Gain on sales of loan collateral	(7,879,321)	(9,539,786)	-	-
Gain on sales of property, building and equipment for rent	-	(1,142,211)	-	-
(Gain) loss on sales of Property, Building and equipment	(7,341,139)	1,149	(1,521)	(7,392)
Income from operating activities before changes in operating assets and liabilities	119,074,775	128,844,501	108,686,888	85,678,477
Decrease (increase) in operating assets :-				
Trade accounts receivable	11,397,786	(79,556,775)	1,989,193	(93,080,587)
Others receivable - related parties	-	-	1,715,531	51,969
Inventories	(15,692,18)	(6,883,427)	(30,811,757)	(1,239,006)
Project development cost	80,535,130	99,459,605	-	-
Interest receivable from related parties	(22,288,061)	(4,494,397)	(22,700,401)	(4,505,704)
Other current assets	(598,916)	(5,050,153)	(5,675,628)	(6,338,993)
Other non-current assets	(1,643,300)	1,802,477	(265,541)	476,657
Increase (decrease) in operating liabilities :-				
Trade accounts payable	7,118,881	7,571,158	11,674,184	8,698,714
Other current liabilities	(7,577,196)	6,724,747	(3,948,612)	13,650,527
Net cash flows from operating activities	170,326,481	148,417,736	60,663,857	3,392,054

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

CASH FLOWS STATEMENTS (Continued)

UNIVENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006 (Restated ¹)
Cash flows from (used in) investing activities				
(Increase) decrease in short-term loans to related parties	168,546,700	(194,446,700)	111,312,740	(194,446,700)
(Increase) decrease in short-term loans to other party	5,000,000	(3,850,000)	-	-
Increase in investments in associates	(17,569,738)	(46,229,860)	(14,169,738)	(35,229,860)
Increase in investments in subsidiaries	-	-	(118,325,129)	(16,500,000)
Net cash provide from acquisition of investment in subsidiary	31,218,393	-	-	-
Increase in current investment	(100,240,116)	-	(100,000,000)	-
Cash receipts from decreasing of investment units in property fund (subsidiary)	-	-	158,200,586	138,425,612
Cash receipts from sales of available-for-sale securities	-	76,258,799	-	13,278,820
Cash receipts from sales of investments in associate	-	2,735,670	-	-
Cash receipts from sales of loan collateral	7,879,321	27,824,610	-	-
Cash receipts from dividend	7,852,451	109,555,577	61,711,283	202,583,906
Cash receipts from sales of property, building and equipment for rent	-	146,550,000	-	-
Cash receipts from sales of property, building and equipment	2,353,266	41,400	56,000	7,400
Cash payments for purchase of equipment	(8,456,740)	(5,991,771)	(3,530,443)	(3,341,773)
Cash payments for project under development	(64,612,032)	-	-	-
Net cash flows from investing activities	31,971,505	112,447,725	95,255,299	104,777,405
Cash flows from (used in) financing activities				
Decrease in bank overdrafts and short-term loans	(82,803,311)	(92,974,233)	(50,000,000)	(101,040,614)
Increase (decrease) in short-term loans from related parties	(16,000,000)	-	(13,000,000)	13,000,000
Dividend paid	(53,294,180)	(53,034,440)	(53,294,180)	(53,034,440)
Cash receipt from share capital increase	462,611,553	2,597,400	462,611,553	2,597,400
Cash receipt (paid) for share subscription from minority interest of subsidiary	(591,799)	4,400,000	-	-
Net cash flows from (used in) financing activities	309,922,263	(139,011,273)	346,317,373	(138,477,654)
Net increase in cash and cash equivalents	512,220,249	121,854,188	502,236,529	(30,308,195)
Cash and cash equivalents at beginning of year	312,861,430	191,007,242	78,906,131	109,214,326
Cash and cash equivalents at end of year	825,081,679	312,861,430	581,142,660	78,906,131
Supplemental cash flows information :-				
Cash paid during the year for				
Interest expenses	789,531	8,046,300	1,514,549	5,503,094
Corporate income tax	45,738,195	30,499,153	40,471,194	24,359,774
Non-cash items consist of:-				
Investment in project under development which has not yet been paid	106,744,649	-	-	-
Sale of property, building and equipment that cash has not yet been received	9,000,000	-	-	-
Transferring of land to project development cost	14,867,976	-	-	-

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

NOTES TO FINANCIAL STATEMENTS

UNIVENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006

1. GENERAL INFORMATION

Univentures Public Company Limited ("The Company") is a public company incorporated and domiciled in Thailand. Its parent company is Adelfos Company Limited. The Company is principally engaged in the manufacture of zinc oxide and investments in property development businesses and its registered address is 888/210-212 Mahatun Plaza Building, 2nd Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok.

2. BASIS OF PREPARATION

2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Profession Act B.E. 2547. The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 14 September 2001, issued under the Accounting Act B.E. 2543

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of the Company and the following subsidiary companies:

Company	Principal activity	Country of incorporation	Percentage of equity held		Subsidiary' s total assets as a percentage to the consolidated total as at 31 December		Subsidiary's total revenues as a percentage to the consolidated total for the year ended 31 December	
			2007	2006	2007	2006	2007	2006
Subsidiaries directly owned by the Company								
Thai-Lysaght Co., Ltd.	Sales of zinc oxide	Thailand	100.00	100.00	5.14	8.48	11.88	15.68
Forward System Limited	Sales of time recorders and parking control equipments	Thailand	99.99	99.99	0.75	1.63	2.55	2.59
Univentures Consulting Co., Ltd.	Finance and investment consulting	Thailand	100.00	100.00	0.67	1.06	0.41	0.22
Univentures Asset Management Co., Ltd.	Investment and management consulting	Thailand	100.00	100.00	4.23	7.55	0.46	0.72
Kinnaree Property Fund	Property fund	Thailand	98.88	98.88	5.34	19.11	5.35	10.67
(1.00% indirectly held through Private fund of subsidiaries)								
ESCO Ventures Co., Ltd.	Investments in energy services business	Thailand	75.00	60.00	1.18	1.06	-	-
Lertratrakam Co., Ltd.	Property development business	Thailand	100.00	-	9.60	-	-	-
Grand Unity Development Co., Ltd (11% indirectly held through Univentures Assets Management Co., Ltd.)	Property development business (condominium)	Thailand	49.00	-	5.69	-	2.21	-
Subsidiaries indirectly owned by the Company								
Hi-rise Development Co., Ltd. (98.30% Indirectly held through Grand Unity Development Co., Ltd.)	Property development business (condominium)	Thailand	58.98	-	1.37	-	0.89	-

NOTES TO FINANCIAL STATEMENTS

There were the following changes in the composition of the Group during the current year.

- The Company invested in the ordinary share capital of Lertrattakarn Co., Ltd., a newly establish company, at 100 percent of the registered share capital of that company. (Note 10)
 - The company paid the remaining share subscription to ESCO Ventures Co., Ltd. (a subsidiary) and acquired the additional share capital of that subsidiary which 25% of such additional shares was called. In addition, the company acquires that subsidiary sharecapital by purchasing from the existing shareholders which increase the percentage of holding in that company to be 75% of paid-up share capital. (Note 10)
 - The Company increase the investment in Grand Unity Development Co., Ltd. from 33.33 percent to be 49 percent of the paid-up share capital by purchasing from former shareholders. In addition, a subsidiary also invested in that company for 11 percent. Therefore, the status of that company has changed from an associate to be a subsidiary. (Note 10)
- b) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- c) Investments in the subsidiaries as recorded in the Company's books of account are eliminated against the equity of the subsidiaries. The resultant differences are amortised over a period of 10 years commencing as from the date of acquisition of the investment.

2.3 The separate financial statements, which present investments in subsidiaries and associates presented under the cost method, have been prepared solely for the benefit of the public.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

The Federation of Accounting Professions (FAP) has issued Notifications No. 9/2550, 38/2550 and 62/2550 regarding Accounting Standards. The notifications mandate the use of the following new Accounting Standards.

a) Thai Accounting Standards which are effective for 2007

TAS 44 (revised 2007)	Consolidated Financial Statements and Separate Financial Statements
TAS 45 (revised 2007)	Investments in Associates
TAS 46 (revised 2007)	Interests in Joint Ventures

These accounting standards become effective for the financial statements for fiscal years beginning on or after 1 January 2007. During the first quarter of the current year, the Company changed its accounting policy for recording investments in subsidiaries and associates in the separate financial statements in order to comply with the revised Thai Accounting Standards No. 44 and 45 as discussed in Note 4.

b) Thai Accounting Standards which are not effective for 2007

TAS 25 (revised 2007)	Cash Flow Statements
TAS 29 (revised 2007)	Leases
TAS 31 (revised 2007)	Inventories
TAS 33 (revised 2007)	Borrowing Costs
TAS 35 (revised 2007)	Presentation of Financial Statements
TAS 39 (revised 2007)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 41 (revised 2007)	Interim Financial Reporting
TAS 43 (revised 2007)	Business Combinations
TAS 49 (revised 2007)	Construction Contracts
TAS 51	Intangible Assets

These accounting standards will become effective for the financial statements for fiscal years beginning on or after 1 January 2008. The management has assessed the effect of these revised accounting standards and believes that they will not have any significant impact on the financial statements for the year in which they are initially applied.

NOTES TO FINANCIAL STATEMENTS

4. CHANGE IN ACCOUNTING POLICY FOR RECORDING INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES IN THE SEPARATE FINANCIAL STATEMENTS

On 1 January 2007, the Company changed its accounting policy for recording investments in subsidiaries and associates in the separate financial statements from the equity method to the cost method, in compliance with Accounting Standard No.44 (Revised 2007) regarding "Consolidated Financial Statements and Separate Financial Statements," under which investments in subsidiaries, jointly controlled entities and associates are to be presented in the separate financial statements under the cost method.

In this regard, the Company has restated the previous period's separate financial statements as though the investments in the subsidiaries and associates had originally been recorded using the cost method. The change has the effect of increasing net income in the separate income statements for the year ended 31 December 2007 and 2006 by Baht 21.4 million (Baht 0.03 per share) from the net income of Baht 100.9 million to be Baht 122.3 million and Baht 183.6 million (Baht 0.35 per share) by increasing from the net income of Baht 146.4 million to be Baht 330.0 million, respectively. The cumulative effect of the change in accounting policy has been presented under the heading of "Cumulative effect of the change in accounting policy for investments in subsidiaries and associates" in the separate statements of changes in shareholders' equity.

Such change in accounting policy affects only the accounts related to investments in subsidiaries and associates in the Company's separate financial statements, with no effect to the consolidated financial statements.

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Revenue Recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Revenue from sales of condominium units

Revenue from sales of condominium units is recognised when unit sales agreements have been executed for units equivalent to not less than 40 percent of the area opened for sales, and initial payment have been received more than 20 percent. They are included in income either under the percentage of completion method, with the percentage of completion based on certain estimations made by the project surveyor and consultant, or when the significant risks and rewards of ownership of the goods have passed to the buyer.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Interest income

income is recognised as interest accrues based on the effective rate method.

Dividends

Dividends are recognised when the right to receive the dividends is established.

5.2 Cost of condominium units sales

In determining the cost of condominium units sold, the anticipated total development costs are attributed to units already sold on the basis of the sale value and then recognized as costs in the income statement in proportion to the revenue recognized.

5.3 Capitalisation of interest costs

The interest costs of borrowings for use in the construction of the projects are capitalised as part of the costs of those assets, with capitalisation ceasing when the projects are completed or when the construction is suspended and until active development resumes.

NOTES TO FINANCIAL STATEMENTS

5.4 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at bank and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.5 Trade accounts receivable

Trade accounts receivable are stated at net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debtor aging.

5.6 Inventories

Finished goods and work in process are valued at the lower of cost (FIFO method) and net realisable value. Costs of finished goods and work in process include all production costs and attributable factory overheads.

Raw materials, factory supplies and processing materials are valued at the lower of cost (specific method and FIFO method, respectively) and net realisable value and are charged to production costs whenever consumed.

5.7 Project development cost

Project development cost represents the acquisition cost of land and construction in progress, and additional project development costs.

5.8 Investments

- a) Investments in available-for-sale securities are stated at fair value. Changes in the carrying amounts of securities are recorded as separate items in shareholders' equity until the securities are sold, when the changes are then included in determining income.
- b) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- c) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand.

The weighted average method is used for computation of the cost of investments.

5.9 Property, plant and equipment and depreciation

Land is stated at reappraised value. Buildings, plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the balance sheet date.

When land's carrying amount is increased as a result of a revaluation of the Company's land, the increase is credited directly to equity under the heading of "Revaluation surplus on land" in the balance sheets.

Depreciation of building and equipment is calculated by reference to their costs on the straight-line method over the following estimated useful lives: -

Buildings and improvements	20	years
Machinery and equipment	5, 10	years
Office furniture and equipment	5, 10	years
Motor vehicles	5	years

Depreciation is included in determining income.

No depreciation is provided on land, project under development and assets under installation.

NOTES TO FINANCIAL STATEMENTS

5.10 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

5.11 Foreign currencies

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Assets and liabilities denominated in foreign currencies outstanding at the balance sheet date are translated into Baht at the exchange rates ruling on the balance sheet date.

Gains and losses on exchange are included in determining income.

5.12 Impairment of assets

The Company and its subsidiaries assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Company and its subsidiaries make an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the income statement. An asset's recoverable amount is the higher of fair value less costs to sell and value in use.

5.13 Employee benefits

Salary, wages, bonuses and contributions to the social security fund and provident fund are recognised as expenses when incurred.

5.14 Corporate Income Tax

Income tax is provided for in the accounts based on the taxable profits determined in accordance with tax legislation.

5.15 Provisions

Provisions are recognized when the company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.16 Derivatives

Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling on the balance sheet date. Unrealized gains and losses from the translation are included in determining income. Premiums or discounts on forward exchange contracts are amortized on a straight-line basis over the contract periods

5.17 Use of accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances, affecting amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

6. RELATED PARTY TRANSACTIONS

During the years, the Company and its subsidiaries had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Company and those companies. Below is a summary of those transactions.

NOTES TO FINANCIAL STATEMENTS

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing policies
	2007	2006	2007	2006	
Transactions with subsidiaries (eliminated from the consolidated financial statements)					
Sales of goods	-	-	1,369	1,005	Close to market prices
Purchase of goods	-	-	1,368	37,893	Close to market prices
Rental income	-	-	720	720	Agree upon basis
Interest income	-	-	1,762	161	Interest rate in Note 6.3
Management fee income	-	-	3,780	3,780	Agree upon basis
Dividend income	-	-	38,580	119,381	Note 10
Rental expenses	-	-	1,560	1,410	Agreed upon basis
Commission expenses	-	-	17,619	16,414	1.5 - 2.0 percent of sales
Interest expenses	-	-	481	377	Interest rate in Note 6.7
Transactions with associated companies					
Consulting fee income	2,756	2,785	-	-	Contract prices
Interest income	31,536	31,568	31,536	31,568	Interest rate in Note 6.3
Dividend income	5,333	102,176	5,333	101,000	Note 11
Interest expenses	133	133	-	-	Interest rate in Note 6.7
Transactions with related companies					
Interest expenses (consist of interest payment for operations and interest payment for project cost)	639	-	-	-	9% per annum
Commission expenses	420	-	-	-	Please See (1)
Sales of property, building and equipmen	12,000	-	-	-	Bid price

- (1) Commission expenses
Grand Unity Development and its subsidiary signed a memorandum of agreement with Lumpini Property Management Company Limited (a related company) regarding remuneration, whereby the both companies agreed to pay commission at rates of 2 percent of the revenue earned from the sale of condominium units in the Parkview Viphavadi condominium project; Phase 1 and 1.6 percent of the revenue earned from the sale of condominium units in the Parkview Viphavadi condominium project; Phase 2, with payment made in 3 installments.
- 1st Installment: 30 percent of the value of the project as at the date it is opened for sale; to be paid when sales reach 50 percent of the total.
- 2nd Installment: 30 percent of the value of the project as at the date it is opened for sale; to be paid when ownership of the first condominium unit has been transferred.
- 3rd Installment: The remaining 40 percent is to be paid when ownership of all condominium units which are sold before transferring the sales function to the broker business division are transferred to the buyers; calculated from net sales value after deducting the 1st and 2nd installments.

NOTES TO FINANCIAL STATEMENTS

Directors and management's remuneration

In 2007 and 2006 the Company and its subsidiaries paid salaries, meeting allowances and gratuities to their directors and management totaling Baht 24.8 million and Baht 23.9 million, respectively. (Separate financial statements: Baht 19.6 million and Baht 19.8 million, respectively).

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 25.2 to the financial statements.

The outstanding balances of the above transactions have been separately shown in the balance sheets. Details are as follows

6.1 TRADE ACCOUNTS RECEIVABLE - RELATED PARTIES

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Subsidiary				
Thai-Lysaght Company Limited	-	-	132	15
Associated companies				
Grand Unity Development Company Limited*	-	353	-	-
Prinventures Company Limited	171	171	-	-
Total trade accounts receivable - related parties	171	524	132	15

* Changed from associate to be subsidiary in the fourth quarter of current year.

6.2 OTHERS RECEIVABLES - RELATED PARTIES

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Subsidiaries				
Univentures Asset Management Company Limited	-	-	-	11
Univentures Consulting Company Limited	-	-	-	1,533
Kinnaree Property Fund	-	-	-	17,798
Forward System Limited	-	-	-	124
Thai-Lysaght Company Limited	-	-	-	47
Related companies				
Yaowawong Company Limited	9,000	-	-	-
L.P.N. Development Public Company Limited	2	-	-	-
Total other receivable - related parties	9,002	-	-	19,513

NOTES TO FINANCIAL STATEMENTS

6.3 SHORT - TERM LOANS TO RELATED PARTIES

(Unit : Thousand Baht)

	Interest rate per annum	Consolidated financial statements					Separate financial statements				
		2006	Addition	Repayment	Transferred items from acquisition of subsidiary	2007	2006	Addition	Repayment	Transferred items from acquisition of subsidiary	2007
Subsidiaries											
Forward System Limited	5%	-	-	-	-	-	3,266	3,000	(4,266)	-	2,000
Thai-Lysaght Company Limited	5%	-	-	-	-	-	-	41,000	-	-	41,000
Lertrattakarn Company Limited	5%	-	-	-	-	-	-	1,500	-	-	1,500
Grand Unity Development Company Limited ⁽¹⁾	9%	-	-	-	-	-	-	16,000	-	20,000	36,000
Associated companies											
Grand Unity Development Company Limited ⁽¹⁾	9%	200,000	-	(180,000)	(20,000)	-	200,000	-	(180,000)	(20,000)	-
Prinventures Company Limited ⁽²⁾	MLR +2%	238,547	86,117	(79,664)	-	245,000	238,547	86,117	(79,664)	-	245,000
Excellent Energy International Company Limited	9%	-	5,000	-	-	5,000	-	5,000	-	-	5,000
Total short-term loans to related parties		438,547	91,117	(259,664)	(20,000)	250,000	441,813	152,617	(263,930)	-	330,500

(1) An unsecured loan of Baht 200 million provided in accordance with the 3rd Amendment of the shareholders' agreement dated 13 January 2004. Interest is charged at a rate of 9 percent per annum (5 percent per annum from the drawdown date to 31 May 2005). Its principal and interest are due in full in the first quarter of 2006. However, the Company extended the repayment date by changing new promissory note which is repayable at call.

(2) Subordinated loans credit facility of Baht 250 million for use as working capital of the property development business. Such loans are unsecured loans.

* Changed from associate to be subsidiary in the fourth quarter of current year.

6.4 INTEREST RECEIVABLE FROM RELATED PARTIES

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Subsidiaries				
Forward System Limited	-	-	1	64
Thai-Lysaght Company Limited	-	-	475	-
Lertrattakarn Company Limited	-	-	1	-
Associated company				
Prinventures Company Limited	37,593	15,305	37,593	15,305
Total interest receivable from related parties	37,593	15,305	38,070	15,369

NOTES TO FINANCIAL STATEMENTS

6.5 TRADE ACCOUNTS PAYABLE - RELATED PARTY

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Subsidiary				
Thai-Lysaght Company Limited	-	-	599	2,525

6.6 OTHERS PAYABLE - RELATED PARTIES

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Subsidiaries				
Forward System Limited	-	-	75	-
Thai-Lysaght Company Limited	-	-	6,120	5,816
Kinnaree Property Fund	-	-	664	1,399
Total other payable - related parties	-	-	6,859	7,215

6.7 SHORT-TERM LOANS FROM RELATED PARTIES

(Unit : Thousand Baht)

	Interest rate per annum	Consolidated financial statements					Separate financial statements				
		2006	Addition	Repayment	Increase from acquisition of subsidiary	2007	2006	Addition	Repayment	2007	
Subsidiaries											
Univentures Consulting Co., Ltd.	5%	-	-	-	-	-	8,000	-	(8,000)	-	
Univentures Asset Management Co.,Ltd	5%	-	-	-	-	-	5,000	-	(5,000)	-	
Associated company											
S.U.N. Management Co., Ltd.	1.5%	8,850	-	-	-	8,850	-	-	-	-	
Related companies											
L.P.N. Development Public Co., Ltd	9%	-	-	(8,000)	20,000	12,000	-	-	-	-	
Yaowawong Co., Ltd.	9%	-	-	(8,000)	20,000	12,000	-	-	-	-	
Total short-term loans from related parties		8,850	-	(16,000)	40,000	32,850	13,000	-	(13,000)	-	

NOTES TO FINANCIAL STATEMENTS

7. TRADE ACCOUNTS RECEIVABLE

The outstanding balances of trade accounts receivable as at 31 December 2007 and 2006 are aged, based on due date, as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Past due				
Up to 1 month	17,678,156	25,320,193	16,189,343	19,024,069
Over 1 - 6 months	941,047	9,282,406	-	2,303,572
Over 6 - 12 months	91,925	1,597,398	-	-
Over 12 months	2,872,716	1,909,586	-	-
Total	21,583,844	38,109,583	16,189,343	21,327,641
Not yet due	197,051,428	191,906,737	185,220,937	182,071,832
Total	218,635,272	230,016,320	201,410,280	203,399,473
Less : Allowance for doubtful debts	(2,592,875)	(2,847,188)	-	-
Trade accounts receivable - net	216,042,397	227,169,132	201,410,280	203,399,473

8. INVENTORIES

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Finished goods	101,845,812	106,967,989	74,304,540	74,982,800
Work in process	-	10,580,078	-	-
Raw materials	41,070,873	9,143,623	41,070,873	9,143,623
Goods in transit	89,878	206,577	-	-
Processing materials	2,721,234	3,245,931	2,699,679	3,245,931
Factory supplies	215,549	106,530	215,549	106,530
Total	145,943,346	130,250,728	118,290,641	87,478,884
Less : Allowance for stock obsolescence	(4,536,415)	(2,282,964)	-	-
Inventories - net	141,406,931	127,967,764	118,290,641	87,478,884

NOTES TO FINANCIAL STATEMENTS

9. PROJECT DEVELOPMENT COST

(Unit : Thousand Baht)

	Consolidated financial statements	
	2007	2006
Narathorn Place Project		
Land and construction in progress cost	156,134	156,134
Development cost	132,731	132,731
Total	288,865	288,865
Less : Accumulated transferred to cost of sales	(259,239)	(196,363)
Net	29,626	92,502
Parkview Viphavadi condominium project; Phases 1 and 2		
Land cost	273,750	-
Construction in progress	562,730	-
Capitalised interest	23,776	-
Total	860,256	-
Less: Accumulated transferred to cost of sales	(843,866)	-
Transferred to land and building	(4,463)	-
Net	11,927	-
Parkview Viphavadi condominium project; Phases 3		
Land cost	14,868	-
Total	14,868	-
Project development cost - net	56,421	92,502

10. INVESTMENTS IN SUBSIDIARIES

(Unit: Thousand Baht)

Company's name	Separate financial statements						Dividend received for the year ended 31	
	Paid-up capital		Shareholding percentage by the Company		Cost		December	
	2007	2006	2007	2006	2007	2006	2007	2006
Thai-Lysaght Co., Ltd.	2,500	2,500	100.00	100.00	7,500	7,500	-	-
Forward System Ltd.	5,000	5,000	99.99	99.99	25,200	25,200	-	-
Univentures Consulting Co., Ltd.	10,000	10,000	100.00	100.00	10,000	10,000	4,000	-
Univentures Asset Management Co., Ltd.	22,310	22,310	100.00	100.00	2,650	2,650	34,580	65,000
Kinnaree Property Fund (1.00 % indirectly held through private fund of subsidiaries)	234,904	489,268	98.88	98.88	141,979	295,720	-	54,381
ESCO Ventures Co., Ltd	27,500	17,600	75.00	60.00	21,052	10,560	-	-
Lertrattakarn Co., Ltd.	100,000	-	100.00	-	100,000	-	-	-
Grand Unity Development Co., Ltd (11% indirectly help through Univentures Assets Management Co.,Ltd.)	50,000	50,000	49.00	-	26,300	-	-	-
Total					334,681	351,630	38,580	119,381
Allowance for diminution in value of investment in subsidiary companies					(34,558)	(17,012)		
Investment in subsidiaries - net					300,123	334,618		

NOTES TO FINANCIAL STATEMENTS

During the year 2007, there were the following changes in investment in subsidiaries:-

- During the second quarter, Kinnaree Property Fund (subsidiary) redeemed 25,436,393 investment units at the average price of Baht 6.2902 per unit, a total of Baht 160 million. The Company received Baht 158.2 million in accordance with its unit holding. The company continues to hold a 98.88 percent interest in the equity of this fund.
- During the second quarter, ESCO Ventures Co., Ltd (subsidiary) called up an additional 12 percent of the cost of 1.2 million ordinary shares from the Company, or a total of Baht 1.4 million, which was fully paid up. And in September 2007, the subsidiary increased the registered share capital from Baht 20 million to be Baht 50 million by issuing 3 million new ordinary shares at the par value of Baht 10 each. The Company acquired such increase shares according to the existing proportion of holding at 1.8 million shares, totaling Baht 18 million and that subsidiary called up for 25 percent, at the amount of Baht 4.5 million. In addition, the Company acquired the 750,000 shares of that subsidiary from an existing shareholder, totaling Baht 4.6 million. This acquisition increases the shareholding percentage in that subsidiary to be 75% during the fourth quarter.
- As the meeting No.6/2007 of the Board of Directors of the Company, held on 6 September 2007, passed a resolution for the company to registered Lertrattakarn Company Limited, which engaged in property development, with the registered capital of Baht 100 million (10 million ordinary shares with a par value of Baht 10 each). The company acquired 9,999,993 ordinary shares, or held a 100 percent interest in that company's equity, with the total amount of Baht 100 million.
- On 19 September 2007, the Company entered into an agreement to purchase shares of Grand Unity Development Co., Ltd. (an associated company which the Company held the interest of 33.33 percent) from the other existing shareholders of that company, with the share sale and purchase to be completed on 1 October 2007. The Company acquired 783,333 ordinary shares of that associated company at a price of Baht 10 each, for a total of Baht 7,833,330 and a subsidiary acquired 550,000 shares at a price of Baht 10 each, for a total of Baht 5,500,000, increasing their holdings in that company to 49% and 11%, respectively. Therefore, those investments are the investments in subsidiary. In addition, the Company, its subsidiary and the sellers drew up an additional memorandum of understanding to purchase and sell agreement, which stipulates conditions related to the adjustment to the stipulated selling price of the shares, whereby one year after the date the completion of the transaction, based on comparison to the reviewed financial statements of the associated company as at 30 September 2007, both parties agreed to perform one of the following.
- Adjust the share price up or down (as appropriate) in accordance with the method indicated in the memorandum of understanding or any other different method subsequently agreed between the parties, which is the price adjustment from the closing period as at 30 September 2007.
- Pay any relevant fees in amounts equal to the benefits or expenses obligations or responsibilities arising in proportion to the Company's former shareholding, using the method indicated in the memorandum of understanding or any other amendment agreed by the parties.

The company has estimated the amount by which the value of the investment might change as a result of the aforementioned acquisition, and such estimated amount is not significant to the Company's financial statement. However, if there are any further changes which would alter the value of the investment, the Company may need to revise the estimation and to adjust the cost of acquisition of the business again, which would affect the value of goodwill from the acquisition

NOTES TO FINANCIAL STATEMENTS

Valuation of the acquired assets and liabilities of Grand Unity Development Co., Ltd. as at the acquisition date can be summarised below:-

(Unit: Thousand Baht)

Cash and cash equivalent	44,552
Land and Project development cost- net	29,587
Property, building and equipment – net	47,543
Other assets	4,414
Trade accounts payable	(3,400)
Short-term loans from related parties	(60,000)
Other liabilities	(11,018)
Total net assets	51,678
Less: Minority interest	(20,671)
Add: Goodwill from business combination	140
Less: Investment accounted for under equity method (33.33 %)	(17,814)
Cash payments for purchase of investment in subsidiary	13,333
Less : Cash and cash equivalents of subsidiary	(44,552)
Net cash provide from acquisition of investment in subsidiary	(31,219)

11. INVESTMENTS IN ASSOCIATES

11.1 Details of associates:

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2007 (%)	2006 (%)	2007	2006	2007	2006
Excellent Energy International Co., Ltd.	Engineering, energy management and energy conservation consultancy	Thailand	31.81	26.98	6,850	4,317	339	2,236
Grand Unity Development Co., Ltd.*	Property development business (condominium)	Thailand	-	33.33	-	18,467	-	28,279
S.U.N. Management Co., Ltd. (Indirectly held through Univentures Asset Management Co., Ltd.)	Property development business (long-term lease of commercial building)	Thailand	29.50	29.50	2,950	2,950	-	-
Prinventures Co., Ltd.	Property development business (housing estates)	Thailand	49.00	49.00	49,000	37,363	31,186	19,711
Sahasinwattana Cogeneration Co., Ltd Cogeneration Co., Ltd. (Indirectly held through ESCO Ventures Co., Ltd)	Generation of steam, electricity and cool water	Thailand	20.00	20.00	18,400	17,000	17,471	16,192
Sahasinwattana Bioenergy Co., Ltd (Indirectly held through ESCO Ventures Co., Ltd.)	Generation of steam, electricity and cool water	Thailand	20.00	-	2,000	-	1,955	-
Total					79,200	80,097	50,951	66,418

*Changed from associate to be subsidiary in the fourth quarter of current year.

NOTES TO FINANCIAL STATEMENTS

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding percentage		Cost		Provision for impairment of investments		Carrying amounts based on cost method - net	
			2007 (%)	2006 (%)	2007	2006	2007	2006	2007	2006
Excellent Energy International Co.Ltd.	Engineering, energy management and energy conservation consultancy	Thailand	31.81	26.98	6,850	4,317	(6,511)	(2,081)	339	2,236
Grand Unity Development Co., Ltd.*	Property development business (condominium)	Thailand	-	33.33	-	18,467	-	-	-	18,467
Prinventures Co., Ltd	Property development business (housing estates)	Thailand	49.00	49.00	49,000	37,363	-	-	49,000	37,363
Total					55,850	60,147	(6,511)	(2,081)	49,339	58,066

*Changed from associate to be subsidiary in the fourth quarter of current year.

(Unit: Thousand Baht)

Company	Consolidated financial statements		Separate financial statements	
	Share of income/loss from investments in associates during the year		Dividend received during the year	
	2007	2006	2007	2006
Excellent Energy International Co., Ltd.	(4,429)	1,132	-	-
Grand Unity Development Co., Ltd.*	(5,132)	30,509	5,333	101,000
Sansiri Ventures Co.,Ltd. (Indirectly held through Univentures Asset Management Co., Ltd.)	-	(655)	-	-
S.U.N. Management Co., Ltd. (Indirectly held through Univentures Asset Management Co., Ltd.)	-	-	-	-
Prinventures Co., Ltd.	(163)	(15,290)	-	-
Sahasinwattana Cogeneration Co., Ltd. (Indirectly held through ESCO Ventures Co., Ltd)	(121)	(619)	-	-
Sahasinwattana Bioenergy Co., Ltd. (Indirectly held through ESCO Ventures Co., Ltd.)	(45)	-	-	-
Total	(9,890)	15,077	5,333	101,000

*Changed from associate to be subsidiary in the fourth quarter of current year.

NOTES TO FINANCIAL STATEMENTS

11.2 Summarised financial information of associates

(Unit: Million Baht)

Company	Paid-up capital as at 31 December		Total assets as at 31 December		Total liabilities as at 31 December		Total revenues for the year ended 31 December		Net income (loss) for the year ended 31 December	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Excellent Energy International Co., Ltd.	20.5	16.0	23.2	21.3	22.2	13.7	30.0	31.0	(11.0)	3.6
Grand Unity Development Co., Ltd.*	50.0	50.0	-	738.8	-	653.8	-	1,079.5	-	91.9
S.U.N. Management Co., Ltd. (Indirectly held through Univentures Asset Management Co., Ltd.)	10.0	10.0	245.9	254.6	265.5	272.6	10.0	11.8	(1.6)	0.5
Prinventures Co., Ltd	100.0	76.3	943.0	1,222.7	834.0	1,157.7	941.1	41.8	20.3	(10.0)
Sahasinwattana Cogeneration Co., Ltd. (Indirectly held through ESCO Ventures Co., Ltd)	92.0	85.0	178.5	143.8	91.2	62.8	42.7	0.3	(0.6)	(3.1)
Sahasinwattana Bioenergy Co., Ltd. (Indirectly held through ESCO Ventures Co., Ltd.)	10.0	-	16.3	-	6.6	-	-	-	(0.2)	-

*Changed from associate to be subsidiary in the fourth quarter of current year.

11.3 The Company recognised share of losses from investment in an associate, as listed below, until the value of the investments reached zero. Subsequent losses incurred by that associate has not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of those associates. The amount of such unrecognised share of losses is set out below.

(Unit: Million Baht)

Company	Unrecognised share of losses	
	Share of losses for the year ended 31 December 2007	Cumulative share of losses up to 31 December 2007
S.U.N. Management Co., Ltd. (Indirectly held through Univentures Asset Management Co., Ltd.)	(0.5)	(8.7)
Total	(0.5)	(8.7)

NOTES TO FINANCIAL STATEMENTS

During the year 2007, there were the following changes in investment in associates:-

- During the second quarter, the Company purchased the 66,116 ordinary shares of Excellent Energy International Co., Ltd. (an associate) from a former shareholder at the price of Baht 15.8 each, or a total of Baht 1.0 million, increasing its interest to 31.12 percent of this company's equity. In addition, during the fourth quarter, that associate increased its share capital from Baht 16 million to be Baht 25 million by issuing 900,000 new ordinary shares, Baht 10 each. The Company has been allotted the new shares according to its right and extra shares from surrendering of share reservation of minority shareholder, totaling 297,521 shares, amounting to Baht 3.0 million, which increase the shareholding percentage of the Company to be 31.81%. The associate call up 50% of the increased share capital in the amount of Baht 1.5 million.
- During the second quarter, the Company paid for the total remaining amount of Baht 11.6 million for the purchase of 4,900,000 additionally ordinary shares of Prinventures Co., Ltd. (associated) in 2006, a par value of Baht 10, totaling amount of investment Baht 49 million.
- During the third quarter of 2007, Sahasinwattana Cogeneration Co., Ltd. (an associate which is indirectly held by ESCO Ventures Co., Ltd.) increased its share capital from Baht 85 million to be Baht 92 million by issuing 700,000 new ordinary shares, Baht 10 each, and sell to the existing shareholders at the same holding portion. Of which ESCO Ventures Co., Ltd. (a subsidiary) acquired the 140,000 new ordinary shares, amounting to Baht 1.4 million, which was fully paid up. In addition, the subsidiary acquired the investment in Sahasinwattana Bioenergy Company Limited. This comprised 200,000 ordinary shares with a par value of Baht 10 each, totaling amount Baht 2 million (fully called-up), The investment represents an equity interest of 20 percent in that company.

12. INVESTMENT IN AVAILABLE-FOR-SALE SECURITIES

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Ordinary shares - cost	90,012	90,012	-	-
Less : Unrealised loss on investments	(20,307)	(28,438)	-	-
Total investment in available-for-sale securities-fair value	69,705	61,574	-	-

13. PROJECT UNDER DEVELOPMENT

(Unit : Thousand Baht)

	Consolidated financial statements	
	2007	2006
Leasehold	150,000	-
Commission and service fee	16,719	-
Other	4,638	-
Project under development - net	171,357	-

NOTES TO FINANCIAL STATEMENTS

On 6 September 2007, a subsidiary entered into a land lease agreement and land utility permission agreement with landlord, for a project development, in order to construct a building to operate a hotel and/or serviced apartment and/or partially as department store. The subsidiary has to comply with the rules and conditions stated in the agreement, including the payment of up-front fee in the amount of Baht 436.5 million. During the year, that company paid Baht 50 million and accrued Baht 100 million for the third installment of the up-front fee at the balance sheet date which is included in other payable. The subsidiary recorded costs incurred in respect of the project as costs of the project under development

14. PROPERTY, PLANT AND EQUIPMENT

(Unit : Baht)

Consolidated financial statements

	Revaluation basis		Cost basis				Total
	Land	Buildings and buildings improvement	Machinery and equipment	Office furniture and equipment	Vehicles	Construction in progress	
Cost/ reappraised value							
31 December 2006	143,327,113	17,604,019	25,722,784	27,630,832	19,607,163	907,593	234,799,504
Additions	-	1,119,350	312,840	2,024,606	-	4,999,944	8,456,740
Increase from acquisition of subsidiary	18,619,741	43,386,136	-	15,575,660	4,951	-	77,586,488
Disposals	-	(4,930,334)	-	(430,203)	(1,260)	-	(5,361,797)
Transferred to construction cost	(14,867,976)	-	-	-	-	-	(14,867,976)
Transferred in (out)	-	715,000	-	1,782,234	-	(2,497,234)	-
31 December 2007	147,078,878	57,894,171	26,035,624	46,583,129	19,610,854	3,410,303	300,612,959
Accumulated depreciation							
31 December 2006	-	9,417,208	14,376,584	18,106,204	13,374,902	-	55,274,898
Depreciation for the year	-	1,078,942	2,476,242	3,914,112	3,519,702	-	10,988,998
Increase from acquisition of subsidiary	-	7,246,387	-	11,505,905	4,874	-	18,757,166
Depreciation for disposals	-	(1,053,606)	-	(294,863)	(1,200)	-	(1,349,669)
31 December 2007	-	16,688,931	16,852,826	33,231,358	16,898,278	-	83,671,393
Allowance for impairment loss							
31 December 2006	-	-	-	-	-	-	-
Allowance for impairment from acquisition of subsidiary	(1,961,605)	(9,324,833)	-	-	-	-	(11,286,438)
31 December 2007	(1,961,605)	(9,324,833)	-	-	-	-	(11,286,438)
Net book value							
31 December 2006	143,327,113	8,186,811	11,346,200	9,524,628	6,232,261	907,593	179,524,606
31 December 2007	145,117,273	31,880,407	9,182,798	13,351,771	2,712,576	3,410,303	205,655,128
Depreciation charge (included in income statements)							
2006 (Baht 2.0 million included in manufacturing cost, and the balance in selling and administrative expenses)							9,852,217
2007 (Baht 1.9 million included in manufacturing cost, and the balance in selling and administrative expenses)							10,988,998

NOTES TO FINANCIAL STATEMENTS

(Unit : Baht)

Separate financial statements

	Revaluation basis		Cost basis				Total
	Land	Buildings and improvement	Machinery and equipment	Office furniture and equipment	Vehicles	Construction in progress	
Cost/ reappraised value							
31 December 2006	107,867,113	11,967,976	14,043,017	21,522,709	11,503,791	-	166,904,606
Additions	-	1,119,349	308,340	558,601	-	1,544,153	3,530,443
Disposals	-	-	-	(72,785)	-	-	(72,785)
31 December 2007	107,867,113	13,087,325	14,351,357	22,008,525	11,503,791	1,544,153	170,362,264
Accumulated depreciation							
31 December 2006	-	6,836,116	10,315,897	14,079,205	7,399,246	-	38,630,464
Depreciation for the year	-	435,724	1,253,667	2,317,277	2,045,552	-	6,052,220
Depreciation for disposals	-	-	-	(18,306)	-	-	(18,306)
31 December 2007	-	7,271,840	11,569,564	16,378,176	9,444,798	-	44,664,378
Net book value							
31 December 2006	107,867,113	5,131,860	3,727,120	7,443,504	4,104,545	-	128,274,142
31 December 2007	107,867,113	5,815,485	2,781,793	5,630,349	2,058,993	1,544,153	125,697,886
Depreciation charge (included in income statements)							
2006 (Baht 2.0 million included in manufacturing cost, and the balance in selling and administrative expenses)							6,041,199
2007 (Baht 1.9 million included in manufacturing cost, and the balance in selling and administrative expenses)							6,052,220

Land was revalued, which was determined by an independent valuer in August 2003, using the depreciated replacement cost approach.

Had the land been carried in the financial statements based on historical cost, its net book value as of 31 December 2007 and 2006 would have been as follows:

(Unit : Baht))

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Land	5,293,697	5,293,697	4,776,113	4,776,113

As at 31 December 2007, certain plant and equipment items have been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 28 million (2006: Baht 25 million) (Separate financial statements: Baht 22 million, 2006: Baht 22 million). The Company has mortgaged land with structures thereon with a total net book value as at 31 December 2007 of Baht 113 million (2006: Baht 113 million) as collateral for bank overdrafts and short-term loans.

NOTES TO FINANCIAL STATEMENTS

15. BANK OVERDRAFTS AND SHORT-TERM LOANS

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Bank overdrafts	-	9,013	-	-
Trust receipt payable	1,210	-	-	-
Promissory notes	-	75,000	-	50,000
Total bank overdrafts and short-term loans	1,210	84,013	-	50,000

Bank overdrafts facilities are secured by the mortgage of the Company's land and building thereon.

Trust receipt payable represents trust receipt payable of a subsidiary with a bank on which interest is charged at the rate of 3.5 percent per annum, matures in the first and second quarter of 2008 and is secured by the Company.

16. SHARE CAPITAL

16.1 In December 2006, 2,485,900 ordinary shares were allocated to support the exercise of the warrants (ESOP-W2, ESOP-W3). The Company received net cash from subscription to shares of Baht 2,485,900 and as a result of exercise of warrants, the Company issued and paid-up share capital amounts to Baht 532,941,799 (532,941,799 ordinary shares with a par value of Baht 1 each). The Company registered the increase in its capital as a result of the exercise of warrants with the Ministry of commerce on 10 January 2007.

16.2 In March and June 2007, 4,589,000 ordinary shares were allocated to support the exercise of the warrants (ESOP-W2, ESOP-W3). The Company received net cash from subscription to shares of Baht 4,589,000 and as a result of exercise of warrants, the Company issued and paid-up share capital amounts to Baht 537,530,799 (537,530,799 ordinary shares with a par value of Baht 1 each). The Company registered the increase in capital as a result of warrant exercise with the Ministry of Commerce on 11 April 2007 and 5 July 2007, respectively.

16.3 On 12 July 2007, Extraordinary General Meeting No.1/2007 of the Company's shareholders passed the following resolutions:-

16.3.1 Reduce the Company's registered capital from Baht 944,528,490 (944,528,490 shares with a par value of Baht 1 each) to Baht 723,028,490 (723,028,490 shares with a par value of Baht 1 each) by canceling 221,500,000 registered but unallotted shares.

16.3.2 Increase the Company's registered capital of Baht 221,500,000, from Baht 723,028,490 to Baht 944,528,490, divided into 944,528,490 ordinary shares at the par value of Baht 1 each.

16.3.3 Allot the 221,500,000 new ordinary shares with a par value of Baht 1 each, to Adelfos Company Limited by private placement, at a price of Baht 2.04 per share. The Company has received net cash from share subscription of Baht 451.9 million and had the related expenses incurred from the allotment of Baht 1.7 million which were deducted from "Premium on ordinary shares" and consequently has issued and paid-up share capital of Baht 759,030,799 (759,030,799 ordinary shares of Baht 1 each). The Company registered the increase in its share capital with the Ministry of Commerce on 16 July 2007.

NOTES TO FINANCIAL STATEMENTS

16.4 In September 2007, 3,237,475 ordinary shares were allocated to support the exercise of the warrants (UV-W1,ESOP-W3) The Company received net cash from subscription to shares of Baht 6,889,525 and as a result of exercise of warrants, the Company issued and paid-up share capital amounts to Baht 762,268,274 (762,268,274 ordinary shares with a par value of Baht 1 each).The Company registered the increase in capital as a result of warrant exercise with the Ministry of Commerce on 5 October 2007.

16.5 Share subscription received in advance

In December 2007, 998,860 ordinary shares were allocated to support the exercise of the warrants (ESOP-W2,ESOP-W3) The Company received net cash from subscription to shares of Baht 998,860 and registered the increase in capital as a result of warrant exercise with the Ministry of Commerce on 9 January 2008 which resulting in the increase of the Company issued and paid-up share capital to be Baht 763,267,134 (763,267,134 ordinary shares with a par value of Baht 1 each). As at the balance sheet date the proceeds from the exercise are presented under the heading of "Share subscription received in advance" in shareholders'equity.

17. REVALUATION SURPLUS ON LAND

The balance in consolidated financial statements comprises surpluses from the revaluation of the Company's land and the subsidiary's land totaling Baht 103,091,000 and Baht 34,942,416, respectively. The revaluation surplus can neither be offset against deficit nor used for dividend payment.

18. STATUTORY RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

19. WARRANTS

The Company has granted warrants to the Company's existing shareholders (UV-W1), to certain employees of the Company and its subsidiaries (ESOP-W2/2002) and to directors and employees and/or advisors of the Company and its subsidiaries (ESOP-W3/2003), without specifying the offer price. A summary of the warrants granted is presented below.

	UV-W1	ESOP-W2	ESOP-W3
Approved by	Extraordinary General Meeting No.1/2002	Extraordinary General Meeting No.1/2002	Extraordinary General Meeting No.1/2003
Date of original grant	20 February 2003	19 December 2003	19 December 2003
No. of warrants granted	17,427,299	13,500,000	12,255,500
Life of warrants (years)	7	5	5
Exercisable	Quarterly	Semi-annually	Quarterly
Final exercise date	19 February 2010	30 June 2008	30 September 2008
Exercise price per 1 ordinary shares (Baht)	25	1	1
Exercise ratio (warrants to ordinary shares)	1 : 1	1 : 1	1 : 1
Changes in no. of warrants, exercise price or exercise ratio :			
- No. of warrants (outstanding warrants)	174,162,990	No changed	No changed
- Exercise price per 1 ordinary shares (Baht)*	2.406	No changed	No changed
- Exercise ratio*	1 : 1.03899	No changed	No changed

Effective as from exercise date in December 2003 *

NOTES TO FINANCIAL STATEMENTS

Presented below is a summary of warrant activity:-

	UV-W1	ESOP-W2	ESOP-W3
			(Unit)
Number of warrants issued	174,272,990	13,500,000	12,255,500
Exercised during 2003 to 2006	(1,227,000)	(9,768,750)	(6,902,500)
Outstanding as at 31 December 2006	173,045,990	3,731,250	5,353,000
Exercised during 2007	(2,500,000)	(3,158,050)	(3,069,810)
Outstanding as at 31 December 2007	170,545,990	573,200	2,283,190

20. NUMBER OF EMPLOYEE AND RELATED COSTS

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
Number of employees at end of year (Persons)	155	147	100	101
Employees' costs for the year (Thousand Baht)	57,570	56,388	39,832	40,951

21. RECONCILIATION OF DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net income for the year by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing net income for the year by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

Reconciliation between basic earnings per share and diluted earnings per share is presented below:

	Consolidated financial statements For the years ended 31 December					
	Net income		Weighted average number of ordinary shares		Earnings per share	
	2007 (Baht)	2006 (Baht)	2007 (Shares)	2006 (Shares)	2007 (Baht)	2006 (Baht)
Basic earnings per share						
Net income	100,945,836	146,400,785	640,699,993	530,401,829	0.16	0.28
Effect of dilutive potential ordinary shares						
UV-W1	-	-	10,158,374	-		
ESOP-W2	-	-	1,426,832	2,821,890		
ESOP-W3	-	-	2,456,302	2,925,478		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	100,945,836	146,400,785	654,741,501	536,149,197	0.15	0.27

NOTES TO FINANCIAL STATEMENTS

	Separate financial statements					
	For the years ended 31 December					
	Net income		Weighted average number of ordinary shares		Earnings per share	
	2007 (Baht)	2006 (Baht) (Restated)	2007 (Shares)	2006 (Shares)	2007 (Baht)	2006 (Baht) (Restated)
Basic earnings per share						
Net income	122,360,380	330,023,826	640,699,993	530,401,829	0.19	0.62
Effect of dilutive potential ordinary shares						
UV-W1	-	-	10,158,374	-		
ESOP-W2	-	-	1,426,832	2,821,890		
ESOP-W3	-	-	2,456,302	2,925,478		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	122,360,380	330,023,826	654,741,501	536,149,197	0.19	0.62

22. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries' business operations involve two principal segments: (1) manufacture of zinc oxide and (2) investments in property development businesses. These operations are mainly carried on in Thailand. Below is the consolidated financial information for the years ended 31 December 2007 and 2006 of the Company and its subsidiaries by segment.

(Unit : Thousand Baht)

	For the years ended 31 December 2007 and 2006									
	Manufacture of zinc oxide		Property development		Others		Elimination of inter- segment revenues		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Revenues	1,324,851	1,317,976	97,078	145,633	39,108	39,565	(2,737)	(38,897)	1,485,300	1,464,277
Segment income	155,790	147,864	16,543	39,297	18,715	15,968	1,560	1,413	192,608	204,542
Interest income									43,160	32,252
Others income									45,737	47,352
Selling and administrative expenses									(113,182)	(101,554)
Share of income (loss) from investments in associates									(9,890)	15,077
Interest expenses									(2,008)	(8,558)
Corporate income tax									(54,474)	(43,046)
Minority interest									(1,005)	336
Net income									100,946	146,401

NOTES TO FINANCIAL STATEMENTS

(Unit : Thousand Baht)

As at 31 December 2007 and 2006

	Manufacture of zinc oxide		Property development		Others		Elimination of inter-segment revenues		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Property, plant and equipment	173,186	175,181	28,542	-	3,927	4,344	-	-	205,655	179,525
Accounts receivable	211,981	217,616	-	-	4,936	12,093	(875)	(2,540)	216,042	227,169
Inventories	135,817	119,853	-	-	5,590	8,115	-	-	141,407	127,968
Project development cost	-	-	56,421	92,502	-	-	-	-	56,421	92,502
Unallocated assets									1,539,974	928,700
Total assets									2,159,499	1,555,864

Transfer prices between business segments are as set out in Note 6 to the financial statements.

23. PROVIDENT FUND

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and their employees contributed to the fund monthly at the rate of 5-10 percent of basic salary. The fund, which is managed by Kasikorn Bank Public Co., Ltd., will be paid to employees upon termination in accordance with the fund rule. During the year 2007, the Company and its subsidiaries contributed Baht 2.6 million (2006 : Baht 2.7 million) to the fund.

24. DIVIDENDS

Dividend payment during 2007 and 2006 are as follow;

		(Unit : Baht)	
	Approved by	Total dividends	Dividend per share
Final dividends on 2006 earnings	Annual General Meeting of the shareholders on 20 April 2007	53,294,180	0.10
Final dividends on 2005 earnings	Annual General Meeting of the shareholders on 22 April 2006	53,034,440	0.10

25. COMMITMENTS AND CONTINGENT LIABILITIES

25.1 Operating lease commitments

25.1.1 The Company and its subsidiaries have entered into lease agreements in respect of the lease of office building space, machinery and equipment and services agreements.

Future minimum rentals payable under these leases as at 31 December 2007 are as follows:

	Million Baht
Payable within:	
1 year	4
2 to 5 years	2

NOTES TO FINANCIAL STATEMENTS

25.1.2 A subsidiary entered into a land lease agreement and land utility permission agreement with a landlord, for project development, in order to construct a building to operate a hotel and/or serviced apartment and/or partially as department store. The construction period will be 4 years and the lease term is 30 years, commencing on 6 September 2011. The subsidiary has to comply with the rules and conditions stated in the agreement, including the responsibility to demolish existing construction on the leased land. In addition, that company has commitments to make the payment of up-front fees in the amount of Baht 286.5 million and annual lease payments totaling 950 million, which will be payable as follow:

	(Unit : Million Baht)
Year	Amount
2008	100.0
2009	186.5
Total up-front fees	286.5

	(Unit : Million Baht)
Lease term	Lease payment
Year 1 to 5	123.0
Year 6 to 10	135.3
Year 11 to 15	148.8
Year 16 to 20	163.7
Year 21 to 25	180.1
Year 26 to 29	158.5
Year 30	40.6
Total lease payments	950.0

25.2 Guarantees

25.2.1 The Company has guaranteed bank credit facilities of its subsidiaries and associated companies as follows:-

- The Company's contingent liabilities to a bank in respect of the guarantee of a Baht 32 million credit facility for Forward System Limited, a subsidiary. As at 31 December 2007, the subsidiary has used Baht 2.0 million of the credit facility.
- The Company's contingent liabilities to a bank in respect of the guarantee of a Baht 20 million credit facility for Thai-Lysaght Company Limited, a subsidiary. As at 31 December 2007, no credit facility was used by the subsidiary.
- The Company's contingent liabilities to TSFC Securities Limited in respect of the guarantee of a Baht 90 million credit facility for Univentures Asset Management Company Limited, a subsidiary. As at 31 December 2007, no credit facility was used by the subsidiary.
- The Company's contingent liabilities to a bank in respect of the guarantee of a Baht 817 million credit facility for Prinventures Company Limited, an associate. As at 31 December 2007, the associate has used Baht 49 million of the credit facility.

Generally, the guarantees are effective so long as the underlying obligations have not yet been discharged by those subsidiaries and associate. No fee is charged for the provision of these guarantees.

NOTES TO FINANCIAL STATEMENTS

25.2.2 As at 31 December 2007, there were outstanding bank guarantees of approximately Baht 1.2 million (Separate financial statement: Baht 0.1 million) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 0.8 million contractual performance and Baht 0.4 million to guarantee electricity use, among others. (Separate financial statement: 0.1 million)

25.3 Uncalled portion of investments

As at 31 December 2007, the Company has the uncalled portion of investment in ESCO Ventures Company Limited (a subsidiary) of totaling Baht 16.9 million, Thai-Lysaght Co., Ltd. (a subsidiary) of totaling Baht 2.5 million and Excellent Energy International Co., Ltd. (an associate) of totaling Baht 1.5 million

26. FINANCIAL INSTRUMENTS

26.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 48 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, loans to related parties, investments, bank overdrafts and short-term loans, accounts payable and other payable, short-term loans from related parties and liabilities under hire purchase agreement. The Company and its subsidiaries have financial risks associated with these financial instruments and how they are managed is described below.

Credit Risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable, loans to related parties and other receivables. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable, loans to related parties and other receivables as stated in the balance sheet.

Interest rate risk

Significant financial assets and liabilities as at 31 December 2007 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date or, the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated				Total	Interest rate (% p.a.)
	Fixed interest rates		Floating interest rate	Non-interest bearing		
	Within 1 year	More than 1 - 5 years				
Financial Assets						
Cash and cash equivalents	485.0	-	338.0	2.1	825.1	0.25-3.15
Current investments	101.2	-	-	-	101.2	3.25
Trade accounts receivable - net	-	-	-	216.0	216.0	-
Other receivable - related parties	-	-	-	9.0	9.0	-
Short-term loans to related parties	5.0	-	245.0	-	250.0	8.88-9.75
Long-term investments	-	-	-	120.7	120.7	-
	591.2	-	583.0	338.8	1,513.0	
Financial liabilities						
Short-term loans from banks	1.2	-	-	-	1.2	3.50
Trade accounts payable	-	-	-	36.9	36.9	-
Short-term loans from related parties	32.9	-	-	-	32.9	1.50-9.0
	34.1	-	-	36.9	71.0	

NOTES TO FINANCIAL STATEMENTS

(Unit: Million Baht)

	Separate financial statements					Interest rate (% p.a.)
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	
	Within 1 year	More than 1 - 5 years				
Financial Assets						
Cash and cash equivalents	400.5	-	180.6	-	581.1	0.25-3.15
Current investments	100.0	-	-	-	100.0	3.25
Trade accounts receivable - net	-	-	-	201.4	201.4	-
Short-term loans to related parties	85.5	-	245.0	-	330.5	5.00-9.00
Long-term investments	-	-	-	34 9.5	349.5	-
	586.0	-	425.6	550.9	1,562.5	
Financial liabilities						
Trade accounts payable	-	-	-	32.0	32.0	-
Others payable-related parties	-	-	-	6.9	6.9	-
	-	-	-	38.9	38.9	

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arise mainly from trading transactions that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

Foreign exchange contracts outstanding at 31 December 2007 are summarised below.

Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate	
			Bought (Baht per 1 foreign currency unit)	Sold
The Company				
US dollar	0.5	-	33.69 - 33.94	-
Subsidiary				
US dollar	-	0.2	-	34.05

The balances of the Company and its subsidiaries' foreign currency-denominated assets/liabilities, which were not covered by forward exchange contracts as at 31 December 2007, are not material.

26.2 Fair value of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature, their fair value is not expected to be materially different from the amounts presented in the balance sheets.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

27. SUBSEQUENT EVENTS

On 28 February 2008, a meeting of the Company's Board of Directors passed a resolution to propose the payment of a dividend of Baht 0.10 per share, totaling Baht 76.3 million, to the Annual General Meeting of the Shareholders for approval. The dividend payment will be made on 22 May 2008.

28. RECLASSIFICATION

In addition to the change in accounting policy as mentioned in Note 4, which affects the previously reported net income and shareholder's equity, certain other amounts in the financial statements for the year ended 31 December 2006 have been reclassified to conform to the current year's classification but with no effect to previously reported net income or shareholders' equity other than from the change in accounting policy.

29. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2008.

Other Information

Company	Univentures Public Company Limited
Symbol	UV
Nature of Business	Property development and Investment business
Website	www.univentures.co.th
Registration No.	0107537001030
Office	Factory : 2 Soi Phaholyothin 90 Phaholyothin Road Prachathipat Thanyaburi Pathumthani 12130 Tel : 0 2998 9140 – 3 , 0 2531 2891 Fax : 0 2998 9144 Head Office : 888/210-212 Mahatun Plaza Building, 2 nd Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok 10330 Tel : 0 2255 9401 – 16 Fax : 0 2255 9418
Registered Capital	944,528,490 Shares
Paid Up Capital	763,267,134 Shares
Par Value	1 Baht
Paid Up Capital	763,267,134 Baht (As at 31 January 2008)
Other References	
Auditor	Miss Thipawan Nananuwat Certified Public Accountant (Thailand) No. 3459 Ernst & Young Office Limited 33rd Floor, Lake Rajada Office Complex 193/136 – 137 Ratchadaphisek Road, Klongtoei, Bangkok 10110 Tel : 66 (0) 2264 0777, 66 (0) 2661 9190 Fax : 66 (0) 2264 0790, 66 (0) 2661 9192
Securities Registrar	Thailand Securities Depository Company Limited The Stock Exchange of Thailand 62 Ratchadaphisek Road, Klongtoei, Bangkok 10110 Tel : 66 (0) 2229 2800 Fax : 66 (0) 2359 1259

General Information of the Subsidiaries and Associated Companies

Thai – Lysaght Company Limited

Symbol	TL
Nature of Business	Sales of Zinc Oxide of Univentures and other Chemical
Website	www.univentures.co.th
Registration No.	0105515006258
Head Office	3 Soi Phaholyothin 90 Phaholyothin Road Prachathipat Thanyaburi Pathumthani 12130 Tel : 0 2998 9841 - 4 Fax : 0 2998 9840
Registered Capital	50,000 Shares
Paid Up Capital	25,000 Shares
Par Value	100 Baht
Paid Up Capital	2,500,000 Baht
Percent of Investment	100 %

Lertrattakarn Company Limited

Symbol	LRK
Nature of Business	Property development and Investment business
Website	www.univentures.co.th
Registration No.	0105550094052
Head Office	888/210-212 Mahatun Plaza Building, 2 nd Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok 10330 Tel : 0 2255 9401 – 16 Fax : 0 2255 9417
Registered Capital	10,000,000 Shares
Paid Up Capital	10,000,000 Shares
Par Value	10 Baht
Paid Up Capital	100,000,000 Baht
Percent of Investment	100 %

Grand Unity Development Company Limited

Symbol	GUD
Nature of Business	Property development business
Website	www.grandunity.com
Registration No.	0105544087228
Head Office	888/224 Mahatun Plaza Building, 2 nd Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok 10330 Tel : 0 2253 4488 Fax : 0 2253 3263
Registered Capital	5,000,000 Shares
Paid Up Capital	5,000,000 Shares
Par Value	10 Baht
Paid Up Capital	50,000,000 Baht
Percent of Investment	60 %

General Information of the Subsidiaries and Associated Companies

Prinventures Company Limited

Symbol	PV
Nature of Business	Property development business (long-term lease of commercial building)
Website	www.prinsiri.com
Registration No.	0108444807451
Head Office	123 SUN Tower, 12 th Floor, Building A, Vibhavadi-Rangsit Road, Chatuchak, Bangkok 10900 Tel : 0 2617 6900 – 9 Fax : 0 2671 6910 – 11
Registered Capital	10,000,000 Shares
Paid Up Capital	10,000,000 Shares
Par Value	10 Baht
Paid Up Capital	100,000,000 Baht
Percent of Investment	49 %

Kinnaree Property Fund

Symbol	KRF
Nature of Business	Property fund
Website	-
Registration No.	11/2542
Head Office	989 Siam Tower, 24 th Floor, Rama I Road, Pathumwan Bangkok 10330 Tel : 0 2659 8847 Fax : 0 2659 8864
Registered Capital	23,490,448.227 Shares
Paid Up Capital	23,490,448.227 Shares
Par Value	10 Baht
Paid Up Capital	234,904,482.27Baht
Percent of Investment	99.98 %

Univentures Asset Management Company Limited

Symbol	UVAM
Nature of Business	Investment and Management Consulting
Website	www.univentures.co.th
Registration No.	0105541027224
Head Office	888/210-212 Mahatun Plaza Building, 2 nd Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok 10330 Tel : 0 2255 9401 – 16 Fax : 0 2255 9417
Registered Capital	2,231,000 Shares
Paid Up Capital	2,231,000 Shares
Par Value	10 Baht
Paid Up Capital	22,310,000 Baht
Percent of Investment	100 %

General Information of the Subsidiaries and Associated Companies

S.U.N. Management Company Limited *

Symbol	SUN
Nature of Business	Property development business (long-term lease of commercial building)
Website	www.sansiri.com
Registration No.	10454501645
Head Office	475 Siripinyo Building, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel : 0 2201 3905 - 6 Fax : 0 2201 - 3604
Registered Capital	1,000,000 Shares
Paid Up Capital	1,000,000 Shares
Par Value	10 Baht
Paid Up Capital	10,000,000 Baht
Percent of Investment	29.50 %

Remarks : * Indirectly held through Univentures Asset Management Company Limited

ESCO Ventures Company Limited

Symbol	EV
Nature of Business	Investment in energy services business
Website	www.univentures.co.th
Registration No.	0105548154680
Head Office	888/210-212 Mahatun Plaza Building, 2 nd Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok 10330 Tel : 0 2255 9401 – 16 Fax : 0 2255 9417
Registered Capital	5,000,000Shares
Paid Up Capital	2,750,000 Shares
Par Value	10 Baht
Paid Up Capital	27,500,000 Baht
Percent of Investment	75 %

General Information of the Subsidiaries and Associated Companies

Sahasin Wattana Cogeneration Company Limited **

Symbol	SSC
Nature of Business	Generation of energy to Industry and Commercial
Website	-
Registration No.	0108154811501
Head Office	475 Siripinyo Building, 12 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel : 0 2201 3466 - 7 Fax : 0 2201 3465
Registered Capital	9,200,000 Shares
Paid Up Capital	9,200,000 Shares
Par Value	10 Baht
Paid Up Capital	92,000,000 Baht
Percent of Investment	20 %

Remarks : ** indirectly held through ESCO Ventures Company Limited

Sahasin Bioenergy Company Limited **

Symbol	SSB
Nature of Business	Generation of energy to Industry and Commercial
Website	-
Registration No.	0108154811501
Head Office	475 Siripinyo Building, 12 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel : 0 2201 3466 - 7 Fax : 0 2201 3465
Registered Capital	1,000,000 Shares
Paid Up Capital	1,000,000 Shares
Par Value	10 Baht
Paid Up Capital	10,000,000 Baht
Percent of Investment	20 %

Remarks : ** indirectly held through ESCO Ventures Company Limited

General Information of the Subsidiaries and Associated Companies

Excellent Energy International Company Limited

Symbol	EI
Nature of Business	Engineering, Energy management and energy conservation consultancy
Website	www.eei.co.th
Registration No.	0105542011771
Head Office	475 Siripinyo Building, 12 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel : 0 2201 3466 - 7 Fax : 0 2201 3465
Registered Capital	2,050,000 Shares
Paid Up Capital	2,050,000 Shares
Par Value	10 Baht
Paid Up Capital	20,500,000 Baht
Percent of Investment	31.81%

Univentures Consulting Company Limited

Symbol	UVC
Nature of Business	Finance and Investment Consulting
Website	www.univentures.co.th
Registration No.	0105543041526
Head Office	888/210-212 Mahatun Plaza Building, 2 nd Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok 10330 Tel : 0 2255 9401 – 16 Fax : 0 2255 9417
Registered Capital	1,000,000 Shares
Paid Up Capital	1,000,000 Shares
Par Value	10 Baht
Paid Up Capital	10,000,000 Baht
Percent of Investment	100 %

Forward System Company Limited

Symbol	FS
Nature of Business	Sales of time recording and car parking control equipments
Website	www.forwardsystem.co.th
Registration No.	0105539131397
Head Office	888/221-222 Mahatun Plaza Building, 2 nd Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok 10330 Tel : 0 2255 4700 – 9 Fax : 0 2255 8986 – 7
Registered Capital	50,000 Shares
Paid Up Capital	50,000 Shares
Par Value	100 Baht
Paid Up Capital	5,000,000 Baht
Percent of Investment	100 %