

Message from Chairman

During the year 2007, Thailand's economic condition was slow down since the public and private sectors was in the process of changing the investment directions and the world's financial market during the second half of the year was fluctuated. The number of construction projects clearly diminished during the third and fourth quarter of the year so the company was affected in terms of seeking for the new projects at that time.

The performance of the company during the first half of the year was satisfactory. However, due to the threats from seeking for the new projects during the second half of the year, the performance of the company throughout the year was not quite outstanding. The sales volume in the year 2007 was 707.19 million baht, a decrease from 825.02 million baht or 14.28% from last year and net profit reached 10.70 million baht or an increase from 7.16 million baht or 49.44% from the year 2006. Also, company attained net profit for 8 consecutive years.

In 2008, the investment atmosphere was better after the election of the new government since the new government issued various measures to stimulate the economy, and the issuance of clear measures helped promote the domestic factor at some level. However, the international factors were highly sensitive due to the problem regarding the financial system of the trading partner countries, the increase of oil price in the world market, and the increase of construction material price such as steel, copper, and concrete so the business expansion in construction sector must carefully be operated, especially the risk factor from the fluctuation of construction material price and risk from customers' payment.

The Board of Directors has realized such fluctuation problem and risk, and started searching for additional businesses channel in order to reduce the dependency only on construction business. In additions, management has committed to meet International Standard (ISO 9001 : 2000) by the year 2008. The company also has an objective to systematize the working process for more qualified, efficient, and effective performance in order to help reduce the operating cost in the long-run.

On behalf of the Board of Directors, I would like to thank you shareholders, customers, and all partners who have continuously supported the company, and also the executives and employees who have committed to work for the company's accomplishment. In additions, I am confident that the company has the potential to expand and become more than another mid-sized construction company. I strongly hope that our company would continue be supported and received you full co-operation.



(Mr. Anucha Sihanatkathakul)

Chairman of the Board

Audit Committee Explanation

Report of the Audit Committee to Shareholders

To: Shareholders of Focus Engineering and Construction Pcl.

Focus Engineering and Construction Pcl.'s Audit Committee consists of 3 members including Miss Sukon Kanchanalai, Chairman of the Audit Committee, Mr. Pornsanong Tuchinda and Mr. Phasunsook Ayanaputra, are audit committee, with period term of 2 years since 1st March 2006 to 28th February 2008. On 28th February 2008, Miss Sukon Kanchanalai, had resigned from the Company' Director and Chairwoman of the Audit Committee when the period term was due. The Board of Directors had a meeting resolution 1/2008 on 28th February 2008, appointing Mr. Pornsanong Tuchinda and Mr. Phasunsook Ayanaputra as the Audit Director, effective 2 years term, starting from 29th February 2008 till 28th February 2010. Moreover, the Board of Directors had appointed another director who shall be considered for election by shareholders in shareholder's meeting. Total audit directors shall then be 3 persons. All of the appointed audit directors are not neither company's executive nor employee.

During year 2007, there were 4 meeting between the Audit Committee and the Executive Committee. All meeting minutes had been every time proposed to the Company's Board of Directors and the activities can be concluded as follow:

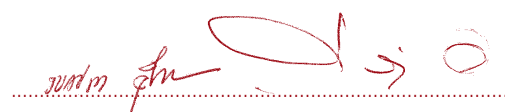
- Considering review the financial statement quarterly and auditing the 2007 financial statement with the auditor's explanation for very question. All auditor's suggestions would be applied in compliance with the law and general accepted accounting standard, together with the adequate disclosure of the information in the financial statement to the shareholders and other related persons.
- Reviewing the disclosure of the inter-transaction and any issues that may cause the conflict of interest
- Reviewing the appropriation of the internal and assets control system of the Company
- Considering, suggesting and advising about the auditing plans of the internal audit department
- Reviewing the operation and suggestion of internal auditor, proposed for the management's implementation

The Audit Committee had concluded that the company's financial statement was prepared according to the general accepted accounting standard, the disclosure of the information in the financial statement was accurate. The company had also paid attention to the good corporate governance policy that was responding to the regulations of the Stock Exchange of Thailand and other related laws. Then the internal controlling system of the company was adequate and suitable, affecting the insignificant errors.

The Audit Committee had proposed Mr. Prawit Viwanthananut, C.P.A. licence No. 4917 or Mr. Atipong Atipongsakul, C.P.A. licence No. 3500 of ANS Audit Company Limited. as the external auditor for the year 2008, with the auditing fee of 390,000 baht to the Company's Board of Directors and be approved in the shareholder's meeting.

21st March 2008

As the Board of Audit Committee Representative



Mr. Pornsanong Tuchinda and Mr. Phasunsook Ayanaputra

Audit Committee

Focus Engineering and Construction Pcl.

General Information

<p>Focus Engineering and Construction Public Company Limited Company's Registration Number Location</p>	<p>: 0107545000331 (original number : 40854500706) : 25, Alma link Building, 9th Floor, Soi Chidlom, Ploenchit Road, Lumpini Sub-district, Patumwan District, Bangkok 10330 Telephone : 0-2650-3063-4, 0-2650-3105-9 Fax : 0-2650-3065-6 E-mail : info@focus-pcl.com www.focus-pcl.com</p>
<p>Main contractor</p>	<p>: General Construction by conducting businesses as main contractors, sub-contractors, or Joint venture or Consortium. The construction projects customers include government agencies, state enterprises, and private sectors.</p>
<p>Registered Capital and Issued and Paid - up Share Capital</p>	<p>: 125,000,000.00 Baht</p>
<p>Common Shares</p>	<p>: 125,000,000 Shares</p>
<p>Par Value</p>	<p>: 1.00 Baht per share</p>
<p>Reference Securities' Registrar</p>	<p>: : Thailand Securities Depository (Thailand) Company Limited TSI Thailand Securities Institute Building 2/7 Moo 4, North Park Project, Vipawadee Rangsit Road Km.27, Toong Song Hong Sub-district, Lak See District, Bangkok 10210 Telephone : 0-2596-9000 Fax : 0-2832-4994-5</p>
<p>Certified Public Accountant</p>	<p>: Mr. Prawit Viwanthananut, C.P.A. No. 4917 Mr. Atipong Atipongsakul, C.P.A. No. 3500 ANS Audit Company Limited 100/72, 22nd Floor, 100/2 Wong Wanich B Building, Rama IX Road, Huay Kwang District, Bangkok 10320 Telephone : 0-2645-0107-9, Fax : 0-2645-0110</p>

Financial Information and Structure of Revenues

Financial Information (Unit : Million Baht)	2007	2006	2005
Total Assets	312.64	572.44	276.87
Total Liabilities	131.25	398.77	110.36
Total Shareholders' Equity	181.39	173.67	166.51
Revenue from Construction	702.78	813.07	344.94
Revenue from provision and sale construction materials	-	7.91	33.16
Total Revenues	707.20	825.02	385.20
Net Profit for the Year	10.70	7.16	2.26
Financial Ratio	2007	2006	2005
Liquidity Ratio (times)	1.96	1.35	2.44
Net Profit Ratio (%)	1.51	0.87	0.59
ROE (%)	6.03	4.21	1.38
ROA (%)	2.42	1.69	0.94
Basic Earnings Per Share (Baht)	0.09	0.06	0.02
Dividend Payout Ratio (%)	-	-	-
Debt to Equity Ratio (times)	0.72	2.30	0.66
Book Value Per Share (Baht)	1.45	1.39	1.33

Structure of Revenues

	2007		2006		2005	
	Revenues (Million Baht)	%	Revenues (Million Baht)	%	Revenues (Million Baht)	%
Revenues from construction	702.78	99.37	813.07	98.55	344.94	89.55
Revenue from provision and sale construction materials	-	-	7.91	0.96	33.16	8.61
Other incomes	4.42	0.63	4.04	0.49	7.10	1.84
Total Revenues	707.20	100.00	825.02	100.00	385.20	100.00

Risk Factors

The risk factors that may occur and impact the company's operations can be summarized as follows.

1. Business Risk : The construction businesses fluctuate according to the economic fluctuation. In condition of the quite high competition, the entrepreneurs was undertaken by customer demand and, in this case, the entrepreneurs will obtain a risk not to received an income. While the project was starting, the entrepreneurs still have a risk that may impact the accomplishment of the project according to the contract condition. However, the company identifies the procedures to mitigate the risk by setting up the unit to be responsible for searching for new jobs. Such unit may search for new jobs from auction or negotiation held by government agencies and private sectors. In this way, the company must be able to continuously generate consistent business performance and income, and be able to control the cost as planned by the company.

2. Payment Risk : Payment risk results from the fact that the company may not be able to obtain payment from customers since they may face the financial problems, the shortage of liquidity, or may not be satisfied with the company's performance. The company has realized such risk so the company will start the project only from the customers with acceptable financial status.

3. Working Capital Risk : The company identifies the guideline in order to protect the risk from the shortage of liquidity by preparing the action plan for source of fund and type of credit in order to be comply with each project, and the income collection so the company will not face the shortage of liquidity.

4. Risk from Fluctuation of Construction Materials' Price : The change of construction materials' price is the factor that directly affects the cost of projects. The company has prepared the measure and guideline to protect and closely take care of such risk such as the company identifies fixed price for manufacturers or sales agent of specific construction materials, etc.

5. Risk from inability to pay dividend in 2007 : As of 31 December 2007, the company had accumulated losses of 24.75 million baht so the company was not able to legally pay the dividend and the shareholders had to take a risk to not obtain the dividend.

List of Shareholders

Structure of Capital

Registered Capital

The company has the registered capital of 125 million baht and issued and paid-up share of 125 million baht consisting of common shares of 125 million shares with the par value of 1.00 baht per share.

Shareholders

List of the first 10 major shareholders as of December 28, 2007

No.	List of Shareholders	Number of Shares	% of Shareholding
1	Mrs. Napat Sihanatkathakul	42,520,100	34.02
2	QUAM SECURITIES NOMINEE (SINGAPORE) PTE LTD	16,275,700	13.02
3	CITIGROUP GLOBAL MARKETS LIMITED	15,193,600	12.15
4	UBS AG SINGAPORE, BRANCH-PB SECURITIES	6,245,000	5.00
5	DEUTSCHE BANK AG, LONDON PRIME BROKERAGE	6,004,600	4.80
6	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	4,403,100	3.52
7	Government Savings Bank by Seamico Knight Fund Management Securities Company Limited	3,838,100	3.07
8	Mrs. Vijitra Ratanapian	3,000,000	2.40
9	ACH INVESTMENTS LIMITED	2,900,000	2.32
10	Ms. Orachorn Chareonponganan by Seamico Knight Fund Management Securities Company Limited	1,976,100	1.58

Note :

Mrs. Napat Sihanatkathakul is the major shareholder of the company but she does not participate in the management. Mr. Anucha Sihanatkathakul participate in the management. Mrs. Napat Sihanatkathakul is the younger sister of Mr. Anucha Sihanatkathakul.

Dividend Payment Policy

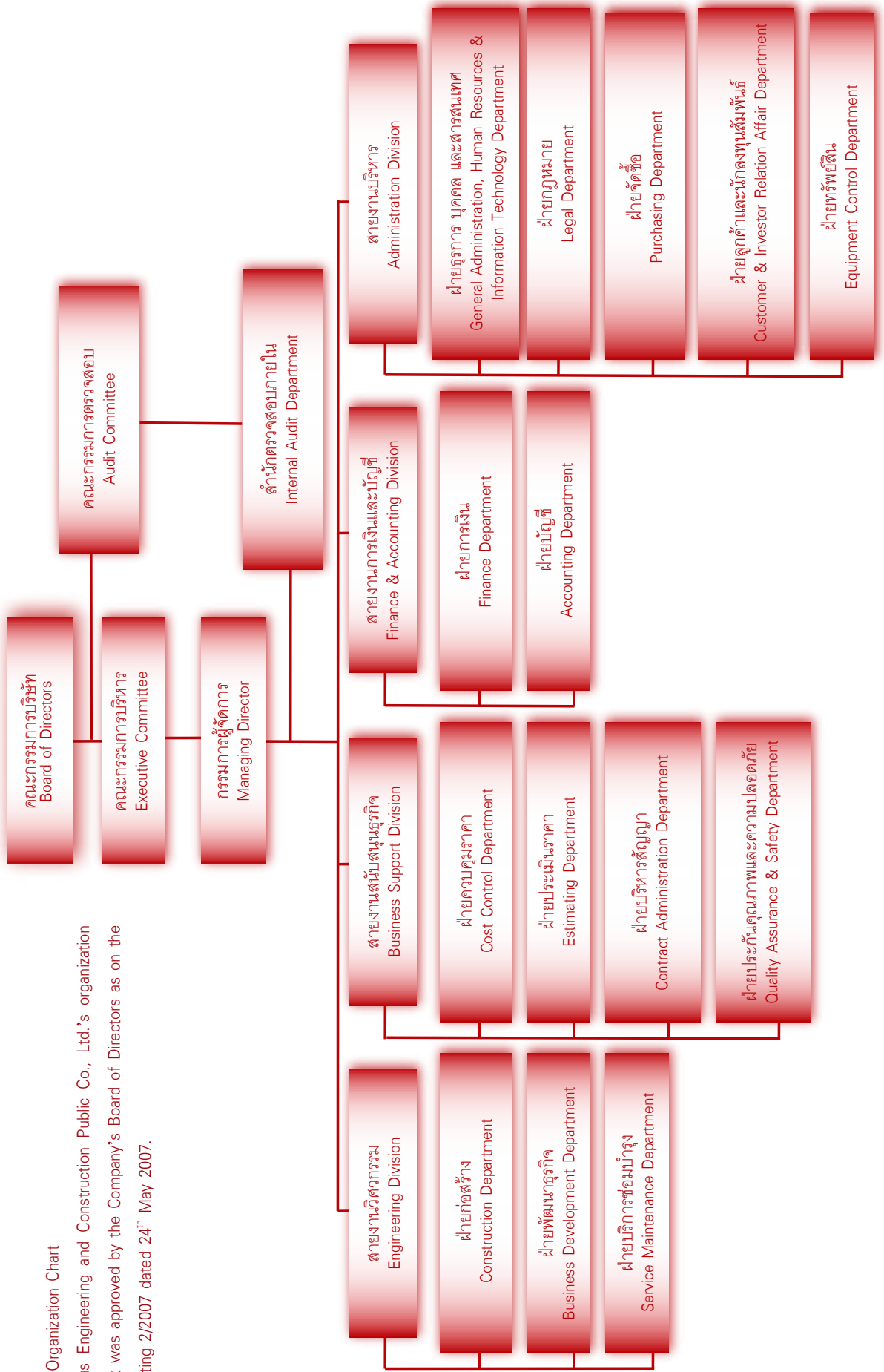
The company has the policy to pay dividend at the rate of at least 40% of net profit and such payment must be approved by the shareholders' meeting, except that the company is necessary to use the money for the business expansion.

However, at the end of the year 2007, the company had accumulated losses of 24.75 million baht so the company was not able to legally pay the dividends to shareholders.

Management Structure

The Organization Chart

Focus Engineering and Construction Public Co., Ltd.'s organization chart was approved by the Company's Board of Directors as on the meeting 2/2007 dated 24th May 2007.



Management Structure (Continued)

Director Structure of the Company

Director Structure of the Company composed of 3 boards namely Board of Directors, Audit Committee, and Executive Committee detailed as follow:

Board of Directors

Board of Directors of the Company as of December 31, 2007 comprised 8 members and attendances in the meetings of each member were as follow:

Name-Surname		Position	Attendance (times)
1. Mr. Anucha	Sihanatkathakul	Chairman of the Board	4/4
2. Mr. Nontawat	Thongmee	Director	4/4
3. Lt.Gen. Thavalaya	Prapapant	Director	4/4
4. Pol.Maj.Gen. Sunthorn	Boonruang	Director	4/4
5. Mr. Jeremy	King	Director	2/4
6. Miss Sukon	Kanchanalai	Director and Chairwoman of Audited Committee	4/4
7. Mr. Pornsanong	Tuchinda	Director and Audited Director	3/4
8. Mr. Phasunsook	Ayanaputra	Director and Audited Director	4/4

Secretary of the Board of Directors : Mr. Tanakorn Leelasiri

- Notes :**
- Directors, who were authorized to perform on behalf of the company, were Mr. Anucha Sihanatkathakul, Mr. Nontawat Thongmee, and Mr. Jeremy King. Two signatures out of those three together with the company seal affixed.
 - Mr. Tanakorn Leelasiri resigned from director since August 22, 2007.
 - Mr. Jeremy King become director position since August 23, 2007, replacing Mr. Tanakorn Leelasiri, who resigned from director position in the Board of Directors' Meeting No. 3/2007 dated August 22, 2007.

Roles and Responsibilities of Board of Directors

1. Director must perform the duties in accordance with laws, objectives, and regulations of the company, including resolutions of Shareholders' Meetings.
2. Director must not be one of the shareholders in partnerships or one of the Board members of private companies, which conduct similar business and compete with the company except that director has informed in Shareholders' Meeting before appointment.
3. Director must inform the company immediately in case that director has any interests in the contract done with the company or in case that director holds increasing or decreasing number of shares or debentures of the Company or subsidiaries.
4. Board of Directors has power to delegate the authorities to or appoint a certain number of directors to be directors in certain committee in order to perform one or more duties. However, Board of Directors may empower authorized directors to act on behalf of the company to perform any duties for the company except the following duties which could be done after the approval from Shareholders' Meeting.

Management Structure (Continued)

- (1) Anything that could be done after the approval from Shareholders' Meeting according to laws.
- (2) Transactions that director has conflict of interest and those are in the scope of laws or regulations of Securities and Exchange Commission that requires the approval from Shareholders' Meeting.

Except for the following cases that must be approved from the Borad's Meeting and Shareholders Meeting with the votes no less than three out of four of total voting rights of shareholders attended the meeting, namely, increase of capital, decrease of capital, issuance of debentures, sale or transfer of parts or all of businesses of the company to other persons, purchase or receipt of businesses of other companies to be parts of the company, and amendment of memorandum of association or article of association of the company, etc.

However, for transactions that director or any person has conflict, interest, or conflict of interest with the company, such director does not have any authority to approve the undertaking of such transactions.

Audit Committee

Regarding the resolution of General Annual Shareholders' Meeting of the year 2007 dated April 26, 2007 and Directors Meeting of 1/2007 dated February 15, 2007, Audit Committee with 3 audit committee members had been appointed. Names and attendances in the meeting of each member were as follow:

Name-Surname	Position	Attendance (times)
1. Miss Sukon Kanchanalai	Director and Chairwoman of Audit Committee	4/4
2. Mr. Pornsanong Tuchinda	Director and Audited Director	3/4
3. Mr. Phasunsook Ayanaputra	Director and Audited Director	4/4

Term of Audit Committee is 2 years starting from March 1st, 2006 to February 28th, 2008. Audit Committee meeting must be held at least 4 times a year.

Roles and Responsibilities of the Board of Audit Committee

The following roles and responsibilities of the Board of Audit Committee are in accordance with regulations and rules of Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET). Board of Audit Committee must report directly to the Board of Director.

1. To review that the company's financial reports are accurate and sufficient.
2. To review that the company has proper and efficient internal control system and internal audit.
3. To review that the company has complied with Act of Securities and Exchange Commission and regulations of Stock Exchange of Thailand as well as laws relevant to the company's business.
4. To consider, select, and propose the appointment and remuneration of the auditor of the company.
5. To review that disclosure of the company's information regarding inter-transactions or transactions with conflicts of interests is accurate and complete.
6. To conduct review report of Audit Committee and to disclose in annual report of the company endorsed by Chairman of Audit Committee.
7. To perform duties assigned by Board of Directors with the consent from Audit Committee.

Management Structure (Continued)

Executive Committee

Executive Committee as of December 31, 2007 composed of 6 members as follow:

Name-Surname		Position
1. Mr. Anucha	Sihanatkathakul	Chairman of Executive Committee
2. Mr. Nontawat	Thongmee	Managing Director
3. Mr. Tanakorn	Leelasiri	Assistant Managing Director of Administration Division
4. Mrs. Wilaiporn	Siripoorikan	Assistant Managing Director of Finance and Accounting Division
5. Mr. Pakorn	Saravane	Assistant Managing Director of Engineering Division
6. Mr. Serm	Chaisungkha	Assistant Managing Director of Business Support Division

Roles and Responsibilities of Executive Committee

Board of Directors delegated the authorities to Executive Committee as an authorized person, to work on behalf of the company within the scope and conditions as follow:

1. To operate and manage the company's operation in accordance with the objectives, rules, and resolutions undertaken at Shareholders Meeting and Management Committee Meeting in all cases.
2. To examine and authorize general operations of the company, for example, purchase of vehicles, sales of properties, and to approve of purchase of disposable office stationary, equipments with the value exceeding 100,000 baht, as well as to make decisions on engagement in such obligations as construction contracts, hire purchase contracts, or other contracts with the value exceeding 1,000,000 baht.
3. To authorize the approval of project operations with the value exceeding 50 million baht such as construction contracts including approval of projects, purchase of construction materials, and hire of sub-contractors.
4. To set organization, management and Executive Committee structure to cover all details of selection, training, recruitment, and lay off of engineers and other employees of the company.
5. To prepare, propose, and recommend business directions and strategies of the company to Board of Directors for approval.
6. To set business plans and management authority, to approve annual budget and expenditure for business operation, to implement business plans and strategies in accordance with the policies and business directions approved by Board of Directors.
7. To undertake any duties as assigned by the Board of Directors at any certain time.
8. Executive Committee does not have authority to approve or to involve in or to undertake any businesses or transactions that the executive committee member or other persons may have any conflicts, interests, or conflicts of interests with the company.

Management Structure (Continued)

Management Team

Management Team as of December 31, 2007 composed of 5 executives as follow:

Name-Surname			Position
1.	Mr. Nontawat	Thongmee	Managing Director
2.	Mr. Tanakorn	Leelasiri	Assistant Managing Director of Administration Division
3.	Mrs. Wilaiporn	Siripoorikan	Assistant Managing Director of Finance and Accounting Division
4.	Mr. Pakorn	Saravane	Assistant Managing Director of Engineering Division
5.	Mr. Serm	Chaisungkha	Assistant Managing Director of Business Support Division

Roles and Responsibilities of Managing Director

Managing Director has authority as manager to manage and control normal business operation of the company and has authority to approve normal transactions of the company such as an authorize to purchase a construction materials at the value not exceeding 2,500,000 baht or an authorize in approval of bidding which has project value not exceeding 50 million baht. However, the approval of bidding of construction projects must be in accordance with scope of authority under authority table, which is approved by Board of Directors of the company. Besides, Managing Director also has authorities to perform any duties that are assigned by Board of Directors or Management Committee of the company. Managing Director is able to assign other persons who are considered appropriate to undertake necessary and appropriate management or operation duties for Managing Director according to judgment of Managing Director.

However, Managing Director or any persons authorized by Managing Director do not have authority to approve or to involve in or to undertake any businesses or transactions that Managing Director or other persons may have any conflicts, interests, or conflicts of interests with the company.

Director and Executive Nomination

The company did not have Nominating Committee to recruit any candidates for the posts of Directors of the Company. However, the company's Board was in charge for considering candidates based on experience, knowledge, capability and qualification according to the law of Public Company Limited B.E. 2535 and notifications of Securities and Exchange Commission as well as other relevance regulation. The name list of director candidates was proposed by Shareholders Meeting. However, the company's Board was responsible for the operation of the company under control of Shareholders Meetings and regulations of the company. The selection and appointment criteria of the company are as follow:

1. One shareholder has voting right according to number of shares hold, as one share is eligible for one vote.
2. The selection of Director may vote of each individual director for one time or vote of more of directors for one time depending on the resolution of Shareholders Meeting at each time of vote. Each shareholder has the voting right of one person for one vote and transferring the vote to any person is not acceptable.
3. The appointment of Director is conducted by the majority votes. In case that there is an equal vote, the chairman of the meeting will make the final decision.

Management Structure (Continued)

Remuneration of Director and Executive

Monetary Remuneration

In the year 2007, the company had 8 directors. Remuneration gave to director and audit committee for the year 2007 was summarized as follow:

Name-Surname		Position	Meeting Allowance (Baht)	Bonus (Baht)
1. Mr. Anucha	Sihanatkathakul	Chairman of Executive Committee	30,000.-	-
2. Mr. Nontawat	Thongmee	Managing Director	24,000.-	-
3. Mr. Jeremy	King	Director	12,000.-	100,000.-
4. Lt.Gen. Thavalaya	Prapapant	Director	24,000.-	100,000.-
5. Pol.Maj.Gen. Sunthorn	Boonruang	Director	24,000.-	100,000.-
6. Miss Sukon	Kanchanalai	Director and Chairwoman of Audited Committee	54,000.-	100,000.-
7. Mr. Pornsanong	Tuchinda	Director and Audited Director	36,000.-	100,000.-
8. Mr. Phasunsook	Ayanaputra	Director and Audited Director	48,000.-	100,000.-
9. Mr. Tanakorn	Leelasiri	Secretary to the Board	12,000.-	-
Total			264,000.-	600,000.-

The resolution of shareholders meeting of the year 2007 had approved remunerations and bonus to all committee members at the total amount not exceeding 2,200,000 baht. However, Committee Meeting dated February 28, 2008 approved bonus for the year 2007 to 6 directors of the company who are non-executive directors for 100,000 baht per person totaling of 600,000 baht. The company paid bonus to the Directors on March 5, 2008.

In the year 2007, remuneration for chairman of Board of Directors and Executive of the company of 5 persons are totaling of 8,108,820 baht.

- Notes :**
- Mr. Tanakorn Leelasiri resigned from director on August 22, 2007.
 - Mr. Jeremy King become director on August 23, 2007, replacing Mr. Tanakorn Leelasiri, who resigned from director position since the Board of Directors' Meeting No. 3/2007 dated August 22, 2007.

Other form of remuneration

- None -

Management Structure (Continued)

Corporate Governance

The company had policy to comply with guideline on corporate governance for directors of listed company set by the Stock Exchange of Thailand and the Committee of the company shall be understood roles and responsibilities. For example, director had to comply with laws and regulations of the company, had integrity and responsibility to shareholders, and had intention to continuous conducting the business. Director had to set policies and business directions of the company, and was responsible for the preparation of financial reports for the control of management to efficiently and effectively operate the business under determined policies.

The Board did not yet comply with the guideline on the appointment of Nominating Committee and Remuneration Committee as the company considers that, currently, the consideration and decision making of this issues could effectively be conducted by The company's Board and Executive Board of the company. However, the company has Independent Committee and Audit Committee to help monitoring internal control system of the Company in order for the company operation to be transparent and for the highest profits to the company and shareholders.

In addition, criteria for the selection of Independent Director was in accordance with regulation of Stock Exchange of Thailand on the qualification of Independent Director. Examples of criteria are that independent director shall not hold position as management or full-time employee of the company, shall not be managing director or manager who has authority to take action on behalf of the company, and shall be independent from major shareholders, management, and related parties.

Control of the Use of Inside Information

The company passed the policies to protect the use of inside information by director or executive for their own benefits as follow:

1. Prohibit the director, executive, including spouse and children who are not yet of legal age, using the inside information to purchase, sell, transfer, or receive the company's securities before those information is disclosed to public especially within 1 month before financial statements are disclosed to public. Besides, after the information is disclosed to public, the aforementioned persons would not purchase or sell securities until the public has acknowledged that information for a certain appropriate period of time.
2. Acknowledge the director and executive, the responsibility to report their ownership of the company's securities, including those of the spouse and children who are not yet of legal age and regarding the report of the company's shares held by director, management, including spouse and children who are not yet of legal age, that may have any chances to purchase, sell, transfer, or receive securities of the company as prescribed in notification of Securities and Exchange Commission no. SorJor. 14/2540 Re: Preparation and disclosure of securities under ownership, penalties according to Securities and Exchange Act, B.E. 2535, and associated regulations of Stock Exchange of Thailand.

The company will submit circulated letter to notify management penalties on the use of inside information starting from written notice of violation, cut off remuneration, work suspension without paid, or termination of employment depending on severity of the violation in case that employee or management do not give any cooperation or it is found that management uses inside information or have behavior that may cause any losses to the company.

Details of Directors and Executives

Details of Directors, Executives, and Company's Authorized Offices (As of December 31, 2007)

No.	Name – Surname Position	Age (year)	Educational Background	Percent of Sharehol ding in the company (%)	Family Relationship	Work experience during the past 20 years		
						Period	Position	Name of Unit / Company
1	Mr. Anucha Sihanatkathakul Chairman of the Board and Chairman of Executive Committee	49	49 M.B.A. (Finance) University of Houston, Texas, U.S.A. B.A. (Accounting & Management) Houston baptist, Texas, U.S.A. Fellow Member, Thai Institute of Directors (IOD) 2/2001 Directors Certification Program (DCP), Thai Institute of Directors (IOD) 4/2000	-	-	2007 – Present	Executive Vice Chairman	Syrus Securities Public Company Limited
						2007 – Present	Director and Chairman of the Audit Committee	Amata Corporation Public Company Limited / Industrial Estate Development
						2007 – Present	Director	Amata (Vietnam) Co., Ltd.
						2006 – Present	Director	Pong Kamol Company Limited / Holding
						2006 – Present	Advisor	Mc Millen Advantage Capital Ltd., Hong Kong / Investment Advisor
						2003 – Present	Executive Chairman	Focus Engineering and Construction Public Company Limited / Construction
						2002 – Present	Director	Focus Environmental Company Limited / Construction
						1998 – Present	Director	Capital Focus Company Limited / Investment Advisor
						1988 – Present	Director	Sihanat Holding Company Limited / Holding
						2003 - 2007	Executive Chairman	Syrus Securities Public Company Limited / Securities
						1999 - 2006	Director	PTTEP Exploration and Production Public Company Limited / Exploration and Production
						2004 - 2006	Advisor	Sub Committee on banking and financial institutions The Senate
						2004 - 2006	Specialist	The committee on finance, banking and financial institutions The Senate
						2002 - 2003	Managing Director	Syrus Securities Public Company Limited / Securities
2001 - 2005	Director	Thai Oil Power Company Limited / Electricity Factory						
2001 - 2005	Director	Nava Leasing Public Company Limited / Car Leasing						
2	Mr. Nontawat Thongmee Authorized Director and Managing Director	45	M.B.A. , Southeastern University U.S.A. B.B.A. Campbell University U.S.A. Directors Certification Program (DCP), Thai Institute of Directors (IOD) 44/2004	-	-	2003 - Present	Managing Director	Focus Engineering and Construction Public Company Limited / Construction
						2003 - Present	Director	Focus Environmental Company Limited / Construction
						2002 - Present	Director	Inter Top One Company Limited / Investment Management
						2002 - 2003	Assistant Managing Director of Financial and Accounting Division	Focus Engineering and Construction Public Company Limited / Construction
						1998 - 2002	Managing Director	Sopon Asset Company Limited / Real Estate

Details of Directors and Executives (Continued)

No.	Name – Surname Position	Age (year)	Educational Background	Percent of Sharehol- ding in the company (%)	Family Relationship	Work experience during the past 20 years		
						Period	Position	Name of Unit / Company
3	Mr. Jeremy King Authorized Director	45	Law Degree, Nottingham University	-	-	2007 – Present	Director	Focus Engineering and Construction Public Company Limited / Construction
						2004 – Present	Executive Chairman	Knight PF Management Limited / Investment Management
						2002 – Present	Executive Chairman	Seamico Knight Fund Management Securities Co., Ltd / Private Investment Fund Management
						1997 – Present	Executive Chairman	Knight Asset Management Limited / Investment Fund Management
						1993 – Present	Chairman	Davenport & King Co., Ltd. / Investment Advisor
						2002 – 2006	Executive Director	Raimon Land Pcl. / Real Estate Development
						2001 – 2006	Director	Brooker Group Pcl. / Research and Real Estate Advisor
						2000 – 2004	Director	Entellium Corporation / Investment Advisor
						1992 – 1996 1989 – 1996	Chairman Managing Director	Kerry Securities (Phils) Inc. / Securities Kerry Investment Management Limited & Kerry Investment Management (Jersey) Limited / Investment Advisor
						1987 – 1996	Co-Managing Director	Kerry Financial Services Group / Investment Advisor
4	Lt.Gen Thavalya Prapapant Director	72	Army Engineer Curriculum for Colonel, Army Engineer School, Bhanurangsi Camp, Ratchaburi Royal Thai Army War College, Institute of Advanced military Studies Bachelor of Civil Engineering Worcester Polytechnic Institute, MA, U.S.A. Directors Certification Program (DCP), Thai Institute of Directors (IOD) 8/2004	-	-	2003 – Present	Director	Focus Engineering and Construction Public Company Limited / Construction
						1997 – Present	Advisor to Executive Director	Intech Company Limited / Machinery Sales Agent Business
						2000	Executive Director	PTTEP Exploration and Production Public Company Limited / Exploration and Production
						1997	Director	Metropolitan Waterworks Authority
5	Pol.Maj.Gen.Sunthorn Boonruang Director	70	Bachelor of Political Science, Royal Police Cadet Academy M.P.A., Indiana University U.S.A. Directors Certification Program (DCP), Thai Institute of Directors (IOD) 8/2004	0.525*	-	2006 – Present	Director	Focus Engineering and Construction Public Company Limited / Construction
						2003 – 2006	Director and Audited Director	Focus Engineering and Construction Public Company Limited / Construction
						2001 – 2002	Director	Focus Infrastructure Public Company Limited / Construction
						1995 – 1997	Deputy Metropolitan Police Commander	Metropolitan Police Bureau

Details of Directors and Executives (Continued)

No.	Name – Surname Position	Age (year)	Educational Background	Percent of Sharehol ding in the company (%)	Family Relationship	Work experience during the past 20 years		
						Period	Position	Name of Unit / Company
6	Miss Sukon Kanchanalai Director and Chairwoman of Audited Director	76	M.B.A. Wharton School of Finance University of Pennsylvania Philadelphia U.S.A. B.A. Chulalongkorn University Degree from National Defence College No.27 Directors Certification Program (DCP), Thai Institute of Directors (IOD) 23/2002	-	-	2003 – Present 1991 – Present 1980 – 1985 1985 – 1989 1989 – 1993 Sep.1996 – Dec.1996	Director and Audited Director Council of State of Thailand Director of Department of Export Promotion Director of Department of Commercial Relation Director of Department of Business Economics Deputy Minister of Commerce	Focus Engineering and Construction Public Company Limited / Construction Office of Council of State Ministry of Commerce Ministry of Commerce Ministry of Commerce Ministry of Commerce
7	Mr. Pornsanong Tuchinda Director and Audited Director	47	Master Degree of Finance and Management Babson College, Massachusetts, U.S.A. Bachelor Degree of Economics and Political Science University of Michigan U.S.A. Directors Certification Program (DCP), Thai Institute of Directors (IOD) 29/2004	0.32	-	Feb.2007 - Present Jan.2007 – Present 2007 – Present 2005 – Present 2005 – Feb.2008 2005 – 2006 2004 – 2005 2001 - 2004	Member of Nominating and Remuneration Committee Director Executive Chairman Independent Director and Audited Director Independent Director and Audited Director Independent Director and Chairman of Audited Director Chairman Executive CEO and Managing Director	Bank of Ayudhya Public Company Limited / Commercial Bank Bank of Ayudhya Public Company Limited / Commercial Bank Triple T Development Company Limited Focus Engineering and Construction Public Company Limited / Construction Syrus Securities Public Company Limited / Securities GE Money Retail Bank Public Company Limited / Commercial Bank Nava Leasing Public Company Limited / Car Leasing DBS Thai Dhanu Public Company Limited / Commercial Bank
8	Mr. Phasunsook Ayanaputra Director and Audited Director	48	LLB. University of Iowa U.S.A. Thai Barrister at Law , BAR Association Bachelor of Law, Chulalongkorn university	-	-	2006 – Present 1992 – Present	Independent Director and Audited Director Partner	Focus Engineering and Construction Public Company Limited / Construction Sakol Siam Premier Legal Service Company Limited / Legal Advisor

Details of Directors and Executives (Continued)

No.	Name – Surname Position	Age (year)	Educational Background	Percent of Sharehol ding in the company (%)	Family Relationship	Work experience during the past 20 years		
						Period	Position	Name of Unit / Company
9	Mr. Tanakorn Leelasiri Assistant Managing Director of Administration Division and Secretary to the Board of Directors	48	Master Degree of Sociology, Thammasat University Bachelor Degree of Political Science, Public Administration, Thammasat University Directors Certification Program (DCP), Thai Institute of Directors (IOD) 44/2004 Mini MBA. Certificate, Faculty of Business Administration, Kasetsart University, No.33, 2004	0.0002	-	2007 - Present	Assistant Managing Director of Administration Division, Secretary to the Board of Directors, Acting Manager of General Administration, Human Resources and Information Technology Department, Acting of Manager of Equipment Control Department and Acting of Manager of Purchasing Department	Focus Engineering and Construction Public Company Limited / Construction
						2005 – 2007	Director, Assistant Managing Director of Business Support Division Secretary to the Board of Directors Acting Manager of General Administration, Human Resources and Information Technology Department	Focus Engineering and Construction Public Company Limited / Construction
						2001 – 2005	Assistant Managing Director of Business Support Division And Acting Manager of General Administration, Human Resources and Information Technology Department	Focus Engineering and Construction Public Company Limited / Construction
						1999 – 2001	Assistant Managing Director	Focus Environmental Company Limited / Construction
						1996 – 1999	Assistant Managing Director of Finance Division and Manager	EMC Public Company Limited / Construction
						1994 – 1996	Manager of Human Resources and Information Technology Department	Pacific Finance and Securities Public Company Limited / Financial Institution
						2535 - 2539	Manager of Human Resources Section, level 8	IFCT Finance and Securities Public Company Limited / Financial Institution

Details of Directors and Executives (Continued)

No.	Name – Surname Position	Age (year)	Educational Background	Percent of Sharehol ding in the company (%)	Family Relationship	Work experience during the past 20 years		
						Period	Position	Name of Unit / Company
10	Mr. Pakorn Saravane Assistant Managing Director of Engineering Division	48	Bachelor Degree of Engineering, majoring in Civil Engineer, King Mongkut' s Institute of Technology	-	-	Apr. 2007 – Present	Assistant Managing Director of Engineering Division	Focus Engineering and Construction Public Company Limited / Construction
						2006 – Apr. 2008	Project Manger	Focus Engineering and Construction Public Company Limited / Construction
						2004 – 2006	Project Director	Trans Equatorial Indochina Company Limited / Construction
						Mar. 2004 – June 2004	Project Manager	Prueksa Real Estate / Cobstruction
						2001 – 2004	Construction Manger	Geminai and Associate Company Limited / Construction
						1998 - 2001	Project Manager	Thai Nishimatsu Construction Company Limited
						1996 – 1998	Construction Manger	Cholnithi Company Limited / Construction
						1988 – 1996	Construction Manger	Sakata Thai Construction Company Limited / Construction
						1982 – 1988	Project Engineer	Economic Construction Company Limited / Construction
11	Mr. Serm Chaisungkha Assistant Managing Director of Business Support Division	52	MBA Kasetsart University Bachelor Degree of Engineering, majoring in Civil Engineer Khon Kaen University	-	-	May 2007 – Present	Assistant Managing Director Of Business Support Division	Focus Engineering and Construction Public Company Limited / Construction
						2006 – May 2007	Project Manager	Focus Engineering and Construction Public Company Limited / Construction
						2004 – 2006	Senior Resident Engineering	Dynamic Engineering Consultants Company Limited / Consults
						2003 – 2004	Contract Administration Manager	ACH Construction Cost Consultants Company Limited / Consults
						2001 – 2003	Contract Specialist	Team Consulting and Engineering Management Company Limited / Consults
						1994 – 1999	Contract Manager - Commercial	Christiani and Nielsen (Thailand) Public Company Limited / Construction
						1992 – 1994	Assistant Contract Manager / Senior Cost Engineer	Thai Leighton Limited Construction
						1991 – 1992	Commercial Manager	Balfour Beatty – Thai Limited / Construction
						1990 – 1991	Assistant Project Manager	Ch.Karn Chang Public Company Limited / Construction
						1988 – 1990	Project Co-ordinator and Cost Engineering	Electricity Generating, Authorities of Thailand (EGAT)
						1983 – 1988	Soil Engineering	Electricity Generating, Authorities of Thailand (EGAT)
						1981 – 1983	Site Engineer and Office Engineer	Asian Engineering Consultant Company Limited / Consults
						2522 - 2524	Site Engineer and Soil Engineer	Vallentine Laurie & Davies Consulting Civil and Structural Engineering / Consults

Details of Directors and Executives (Continued)

No.	Name – Surname Position	Age (year)	Educational Background	Percent of Shareholding in the company (%)	Family Relationship	Work experience during the past 20 years		
						Period	Position	Name of Unit / Company
12	Mrs. Wilaiporn Siripoorikan Assistant Managing Director of Finance and Accounting Division	40	M.B.A. (Finance), University of Thai Chamber of Commerce	0.0002	-	2005 – Present	Assistant Managing Director of Finance and Accounting Division	Focus Engineering and Construction Public Company Limited / Construction
						2002 – 2005	Manager of Finance and Accounting Department	Focus Engineering and Construction Public Company Limited / Construction
						1999 – 2002	Manager of Finance and Accounting Department	Focus Environmental Company Limited / Construction
						1995 – 1998	Manager of Finance Department	EMC Public Company Limited / Construction
13	Mr. Chalerm Sak Hongprasertkul Manager of Legal Department	49	Bachelor Degree of Law, Ramkhamhaeng University Thai Barrister of Law	0.0002	-	2000 – Present	Manager of Legal Department	Focus Engineering and Construction Public Company Limited / Construction
						1995 – 2000	Manager of Legal Department	Pacific Finance and Securities Public Company Limited / Financial Institution
						1988 – 1995	Assistant Manager of Legal Department	Italthai Industrial Company Limited / Machinery Import Business
14	Mr. Anukorn Vejphaisalphiphat Manager of Customer and Investor Relation Affair Department	59	Associate Degree Aurora University, Illinois U.S.A.	-	-	2005 – Present	Manager of Customer and Investor Relation Affair Department	Focus Engineering and Construction Public Company Limited / Construction
						1999 – 2004	Manager of Sales Department	Sopon Asset Company Limited / Real Estate

* Remarks : 1. Mrs. Lawan Boonruang (Pol.Maj.Gen.Sunthorn Boonruang's spouse) holds the company shares of 0.525%
2. Mrs. Paranin Tuchinda (Mr.Pornsanong Tuchinda's spouse) holds the company shares of 0.32%

Details of Directors and Executives (Continued)

Details of Director, Executive Director and Executive Position of Focus Engineering and Construction Pcl. in other related companies (as of December 31, 2007)

		Focus Engineering and Construction Public Company Limited	Focus Environmental Company Limited	Capital focus Company Limited	Sihanat Holding company Limited
1. Mr. Anucha	Sihanatkathakul	#, ❖	/	/	/
2. Mr. Nontawat	Thongmee	/, //, ◆, ●	/		
3. Mr. Jeremy	King	/			
4. Lt.Gen. Thavalya	Prapapant	/			
5. Pol.Maj.Gen. Sunthorn	Boonruang	/			
6. Miss Sukon	Kanchanalai	/, ++			
7. Mr. Pornsanong	Tuchinda	/, +			
8. Mr. Phasunsook	Ayanaputra	/, +			
9. Mr. Tanakorn	Leelasiri	//, ●			
10. Mr. Pakorn	Saravane	//, ●			
11. Mr. Serm	Chaisungkha	//, ●			
12. Mrs. Wilaiporn	Siripoorikan	//, ●			
13. Mr. Chalernsak	Hongprasertkul	●			
14. Mr. Anukorn	Vechpaisarnpipat	●			

- หมายเหตุ**
- # Chairman of the Board
 - ❖ Chairman of Executive Committee
 - // Executive Committee
 - / Director
 - ◆ Managing Director
 - ++ Chairman of Audit Committee
 - + Member of Audit Committee
 - Executive

Connected transaction

Connected transactions with the persons who may have the conflict of interest for the year ended December 31, 2007 as follow :

Persons who may have conflict of interest	Relationship	Type / size of transaction	Necessity and reasonability of the transaction
1. Focus Environmental Company Limited	common directors, namely, Mr. Anucha Sihanatkathakul and common major shareholders	The company had signed inter-guarantee contract without any monetary compensation with Focus Environmental Company Limited for the loan on the purchase of promissory note at discount – by using money of Apec – Focus Consortium and Thai Military Bank (Public Company Limited) at the amount of 25 million baht. The credit line of such loan was the previous credit line and was fully guaranteed by outside party (which was the previous shareholders), which was continuously guaranteed until now. Besides, as of December 31, 2007 Focus Environmental Company Limited had the loan outstanding balance of 25 million baht. The payment of such loan would be from the receipt of retention guarantee payment and service fees from Focus Environmental Company Limited at approximate amount of 55 million baht after the project was finished according to the contract. Currently, Apec – Focus Consortium had already finished the construction according to the contract but did not yet receive such payments as the counter party who hire the consortium had lawsuit with the project owner. And once the lawsuit end or both party can negotiate, Focus Environmental Company Limited expected to receive full amount of performance guarantee payment and service fees.	As the company and Focus Environmental Company Limited had coordinated in form of joint venture to construct water treatment system at Samutprakarn province. Thus, the application for loan from banks shall be done in the name of Apec – Focus Consortium. Although, there was a guarantee from outside party, banks still required the company to guarantee Focus Environmental Company Limited.

Connected transaction (Continued)

Persons who may have conflict of interest	Relationship	Type / size of transaction	Necessity and reasonability of the transaction
2. Syrus Securities Public Company Limited	Mr. Anucha Sihanatkathakul is a director of the company and is also the director and major shareholder of Syrus Securities Public Company Limited.	The company purchases securities through Syrus Securities Public Company Limited with total purchasing amount of 26.98 million baht. Brokerage fees from the purchase of securities equaled 52,456.46 baht. However, brokerage fee charged was the same rate as fee charged to general customers.	To manage excess working capital to invest in securities which are traded in the Stock Exchange of Thailand in order to receive returns from investments in form of dividend and capital gain.

Explanation and Analysis of Financial Position and Operating Performance

Operating Performance

Operating performance of the company in term of profitability of the year 2007 was better than several previous years as the company had better cost management. Total revenues of the year 2007 was less than that of the year 2006 because revenues from new projects that the company received cannot fully recognized, overall economic condition of the country slowed down, government budget for construction project decreased, government could not yet concretely support the investment in big project, competition in construction business was more severe. Those situations affected the company as well. From those circumstances, the company as a middle size constructor had to develop and build up capability in order to increase value to the business by creating various internal types of businesses to support many types of construction projects. Currently, the company focused on the project both from government and private sector. To acquire the project, the company considered risks from the undertaking of project and payment capability of each customer in order to reduce risks that the company may not be able to collect construction income.

Economic condition of Thailand in the year 2007 was affected by both internal and external factors such as increase in oil price in the world market, depreciation of US dollars, as well as political problems and uncertainty of economic condition arising from government policy such as measures to prevent international fund transfer of the Bank of Thailand resulted in the recession of Thai economy in the year 2007 comparing to that in previous year.

For the first three quarter of the year 2007, there was a slow down in the investment from both government and private sectors especially mega projects and infrastructure projects. For the last quarter of the year 2007, political factors that obstructed internal economic condition started clearer. Private investment expanded. It was expected that the recover of demand in the country in form of private consumption, private investment, and government investment got better.

Revenues

The company was a medium-size constructor and provided services on the construction and general construction engineering such as designing, construction of structure and architecture, construction engineering system, and environmental engineering system such as construction of buildings, hotels, resorts, hospitals, residences, schools, dormitories, factorings, roads, bridges, pipeline systems, water treatment systems, railway systems, and other infrastructure systems.

Revenues of the company depended on types and sizes of the projects that the company acquired during the period. The company had policies to run projects both from government and private sectors. The company considered only projects with appropriate returns and the customer had strong financial position. For income recognition, the company will recognize income according to the percentage of completion of work assessed by engineer of the project. Generally, the construction period of government project was around 2 –3 years and the construction period of private sector project was around 1 –2 years.

In the year 2007, the company had total revenues of 707.20 million baht decreasing 117.82 million baht or 14.28 percent comparing to that of the year 2006. For revenues structure of the year 2007, 99 percent of revenues was revenues from construction, which decreased 110.29 million baht or 13.57 percent from the year 2006. In the year 2007, the company did not have any revenue from provision and sale construction materials. Other income of the company was from interest receipt and gain from the sale of assets.

Expenditure

Expenses of the company composed costs of construction, costs of provision and sales construction materials, and administrative expenses. Costs of construction depended upon types of projects and composed of costs of construction materials, costs of sub-contract construction, and costs of direct construction labor.

Explanation and Analysis of Financial Position and Operating Performance (Continued)

For the year 2007 and 2006, total expenses of the company comparing to total revenue was at 97.68 percent and 98.62 percent, respectively. In the year 2007, the company had total expenses of 690.78 million baht decreasing 122.86 million baht or decreasing 15.10 percent comparing to that of the year 2006. In the year 2007, revenue from the construction of the company decreased, thus, costs of construction decreased. Besides, the company had better construction costs management that resulted in the decreased of ratio between costs of construction and construction revenue in the year 2007. Construction costs of the year 2007 decreased from that of the year 2006 at the amount of 127.18 million baht or 16.42 percent. Administrative expenses of the year 2007 increased from that of the year 2006 at the amount of 12.17 million baht or 38.97 percent due to the increase in personnel expenses and legal consultant fees.

Net Profit

Net profit of the company for the year ended December 31, 2007 was 10.70 million baht or increased 3.54 million baht or 49.44 percent comparing to that of previous year because of the following factors:

1. The ratio of total expenses to total revenue of the year 2007 decreased comparing to that of the year 2006 with the value of 97.68 percent and 98.62 percent, respectively.
2. Proportion of construction costs of the year 2007 decreased comparing to that of the year 2006. The ratio of construction costs to total construction revenue was 92.12 percent and 95.26 percent, respectively as the company had better management on construction costs such as specific fixed prices proposed to manufacturers or sellers of construction materials.

Financial Position

Financial position of the company for the year 2007 comparing to that of the year 2006 had significant changed as follow:

1. Assets Analysis

Total assets of the company as of December 31, 2007 was 312.63 million baht decreasing 259.82 million baht or 45.39 percent from the year 2006 at the total assets amounting of 572.45 million baht as of the end of the year 2006.

In the year 2007, the amount of current assets of the company was 256.24 million baht or 81.96 percent of total assets. The main items were as follow:

- 1.1. Cash and cash equivalents of 48.26 million baht increasing 42.81 million baht from the previous year or 785.50 percent comparing to that of the year 2006 as the company received construction fees from customers.
- 1.2. Trade accounts receivable – net and unbilled receivables – net of 94.68 million baht or 36.95 percent of current assets composing of trade accounts receivable – net of 32.44 million baht, unbilled receivable – net of 62.24 million baht decreasing from the previous year of 255.16 million baht or 72.94 percent as the company was able to collect payments from customers on time.
- 1.3. Retention receivables – net of 54.39 million increasing 13.32 million baht or 32.43 percent from the year 2006 as the company had got more construction projects. Thus, the customer deducted retention guarantee from the company for about 5 to 10 percent of collecting amount. However, the company would receive retention guarantee at maturity of the contracts.
- 1.4. Work in progress of 2.41 million baht decreasing 76.11 million baht from the year 2006 as many projects were already finished during the year and the company started new projects around the end of the year 2007. Thus, work in progress decreased from the previous year.

Explanation and Analysis of Financial Position and Operating Performance (Continued)

- 1.5. Other current assets of 20.64 million baht decreasing 27.93 million baht or 57.50 percent from the year 2006, mostly due to the deduction of advance payment to sub-contractors.

Non-current assets increased 22.95 million baht comparing to that of the previous year because, in the year 2007, the company invested in long-term available for sale securities.

2. Liabilities Analysis

Total liabilities of the company as of the end of the year 2007 were 130.71 million baht decreasing 267.20 million baht or 67.15 percent from the year 2006 as follow:

- 2.1. Bank overdrafts and short-term loans from financial institutions totally decreased from the previous year as the company had better liquidity.
- 2.2. Trade account payable decreased 123.95 million baht or 73.96 percent. Undued construction costs decreased 83.34 million baht or 91.66 percent.
- 2.3. Retention payables increased 10.81 million baht or 48.09 percent. The company deducted retention guarantee from sub-contractors for about 5 to 10 percent of payment amount. However, the Company would pay retention guarantee after sub-contractors finished the construction according to the contracts.
- 2.4. Advances received from construction decreased 63.99 million baht or 64.87 percent comparing to that of the year 2006 as the company received advance payment from customers of new projects. The company would pay back as the installment plan when the company delivered the construction during the time.

3. Shareholders' Equity Analysis

Total shareholders' equity of the company as of the end of the year 2007 were 181.39 million baht increasing 7.72 million baht or 4.45 percent comparing to that as at the end of the year 2006 as the company had net profit of the year 2007 of 10.70 million baht including unrealized loss from investment of 2.98 million baht.

4. Cash Flow Analysis

According to statement of cash flow that indicated the change in cash from operating activity, investing activity, and financing activity as of the end of account period, cash and cash equivalents of the company as at the end of the year on December 31, 2007 was 48.26 million baht increasing 42.81 million baht from the previous year. Detail of cash flow was as follow:

- 4.1 Cash flow received from operating activity of 77.71 million baht increasing 137.18 million baht from the previous year. Operating assets of the company decreased more than operating liabilities. Most of operating assets decreased was account receivable and unbilled receivables. The Company billed and received service payment from counter parties earlier than that of the year 2006.
- 4.2. Cash flow used in investing activity of 29.82 million baht increasing 26.24 million baht from the previous year. The company had bought common stocks listed in Stock Exchange of Thailand at the amount of 27.04 million baht and assets for the use in new projects.
- 4.3. Cash flow used in financing activity of 5.09 million baht as the company paid for overdraft from financial institutions and hire purchase payable during the year.

Explanation and Analysis of Financial Position and Operating Performance (Continued)

5. Financial Ratio Analysis

In the year 2007, operating performance of the company was better than that of the year 2006. Net operating profit increased resulted in the improvement of financial ratio of the company as follow:

- 5.1. Liquidity ratio of the year 2007 was 1.96 times increased from that of the year 2006 as the company could collect the bills from the customers earlier than that of the year 2006 and the company was extended credit period from the material's suppliers. Thus, the company liquidity was improved.
- 5.2. Debt settlement ratio of the year 2007 decreased from that of the year 2006 as the company had better liquidity and got extension of credit from the material's suppliers. Thus, the company had ability to pay for debt according to repayment schedule. As a result, the company received more discounts from the purchase of materials.
- 5.3. Profitability ratio of the year 2007 increased from that of the year 2006 as the company had higher net operating profit due to better management and cost management. Thus, operating costs of the company decreased.
- 5.4. Operating efficiency ratio of the year 2007 increased from that of the year 2006 as the company had better and more effective asset management.

Key Factors and Influences that may Affect Future Operation or Financial Status

Factor on Industry Situation

As construction business is one of the service business, factor affected future operation of the company is the need of services of customers or service receivers, which depends on investment policy of government and private sectors that determines size of construction projects. However, key factor for business operation depends upon capability of directors and management in acquiring new construction projects for the company. The size and value of construction projects that the company is able to undertake must be related to working capital that the company is able to fund. Main funding source of the company is from capital of the company and loans from financial institutions. Besides, the company has to control construction costs such as construction material costs, logistic costs, labor costs, and administrative costs, as well as interest payment to be at an appropriate level.

Change in Group of Major Shareholders

Although the company has been established since the year 1989, later, group of major shareholder of the company changed. Group of Mrs. Napat Sihanartakakul had come in as major shareholder. And there was a change in management and management policy and started undertaking construction business since the year 2000. Policy of the company will not focus only on the construction for any specific industry as it may result in an inconsistency of income of the company. During the time, however, the company has plans to bid to construct certain amount of projects from private sector which the company already considers those customers have good financial position, then the company may receive appropriate profit, has ability to construct the projects, and has high potential to be employed since the company's engineers have variety of experiences in the construction of such projects. Management and engineers of the company has also can provide suggestions on design, source of fund, use of construction materials and contraction techniques that could help reducing construction costs. The company is able to deliver high quality services and already receives confidences responsibility for some of the aforementioned projects.

Audit Report of Certified Public Accountant

To the Shareholders of Focus Engineering and Construction Public Company Limited.

I have audited the balance sheets of Focus Engineering and Construction Public Company Limited as at December 31, 2007 and 2006, and the related statements of income, change in shareholders' equity and cash flows for each of the years then ended. The Company's management is responsible for the correctness and completeness of the information presented in these financial statements. 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 audits to obtain a reasonable assurance as to 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 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 positions of Focus Engineering and Construction Public Company Limited as of December 31, 2007 and 2006, the results of its operations and its cash flows for each of the years then ended, in conformity with generally accepted accounting principles.



Prawit Viwanhananut
Certified Public Accountant
Registration Number 4917

ANS Audit Co., Ltd.
Bangkok, February 7, 2008

Balance Sheets

Focus Engineering and Construction Public Company Limited

As at December 31, 2007 and 2006

ASSETS	Notes	Baht	
		2007	2006
CURRENT ASSETS			
Cash and cash equivalents		48,256,148	5,446,357
Trade accounts receivable	5	32,443,463	88,828,217
Retention receivables - net	6, 12	54,389,896	41,069,205
Work in progress		2,414,628	78,522,437
Unbilled receivables - net	7, 12	62,241,885	261,007,126
Withholding tax		35,858,912	15,574,366
Other current assets - net		20,638,248	48,562,643
Total Current Assets		256,243,180	539,010,351
NON - CURRENT ASSETS			
Restricted bank deposit	8	16,845,521	19,311,328
Other long-term investment	9	24,052,724	-
Plant and equipment - net	10	9,762,875	9,259,641
Deposit and others		5,730,160	4,865,397
Total Non - Current Assets		56,391,280	33,436,366
TOTAL ASSETS		312,634,460	572,446,717

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

Balance Sheets (Continued)

Focus Engineering and Construction Public Company Limited

As at December 31, 2007 and 2006

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	Baht	
		2007	2006
CURRENT LIABILITIES			
Bank overdrafts and short-term loans from financial institutions	11	-	4,588,533
Trade accounts payable		43,649,856	167,602,347
Current portion of liabilities under financial lease	14	471,643	636,108
Undued construction cost		7,576,504	90,921,627
Retention payables		33,292,583	22,481,878
Advances received from construction	12	34,650,678	98,640,153
Accrued expense		5,143,666	6,172,513
Other current liabilities	4	5,923,930	6,866,450
Total Current Liabilities		130,708,860	397,909,609
NON - CURRENT LIABILITIES			
Liabilities under financial lease	14	536,902	865,496
Total Non - Current Liabilities		536,902	865,496
Total Liabilities		131,245,762	398,775,105
SHAREHOLDERS' EQUITY			
Authorized share capital:			
125,000,000 common shares, Baht 1 par value		125,000,000	125,000,000
Issued and paid up share capital:			
125,000,000 common shares, Baht 1 par value		125,000,000	125,000,000
Premium on common shares		84,118,527	84,118,527
Unrealized loss from investment		(2,983,912)	-
Deficit		(24,745,917)	(35,446,915)
Total Shareholders' Equity		181,388,698	173,671,612
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		312,634,460	572,446,717

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

Statements of Income

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

	Notes	Baht	
		2007	2006
REVENUES	3		
Revenues from construction	12	702,779,301	813,074,617
Revenue from provision and sale construction material		-	7,908,062
Other income		4,419,578	4,039,125
Total Revenues		707,198,879	825,021,804
EXPENSES	3		
Cost of construction		647,377,534	774,562,460
Cost of provision and sale of construction material		-	7,840,636
Administrative expenses	4	43,398,436	31,229,501
Total Expenses		690,775,970	813,632,597
Profit before interest expense and income tax		16,422,909	11,389,207
Interest expense		900,522	109,064
Income tax		4,821,389	4,120,425
Net profit		10,700,998	7,159,718
Basic earnings per share	3	0.09	0.06
Weight average number of common shares		125,000,000	125,000,000

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

Statements of Changes in Shareholders' Equity

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

	Baht				
	Issued and Paid-Up Share Capital	Premium on common shares	Unrealized loss from investment	Deficit	Total
Beginning balance as at January 1, 2006	125,000,000	84,118,527	-	(42,606,633)	166,511,894
Net profit	-	-	-	7,159,718	7,159,718
Ending balance as at December 31, 2006	125,000,000	84,118,527	-	(35,446,915)	173,671,612
Unrealized loss from investment	-	-	(2,983,912)	-	(2,983,912)
Net profit	-	-	-	10,700,998	10,700,998
Ending balance as at December 31, 2007	125,000,000	84,118,527	(2,983,912)	(24,745,917)	181,388,698

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

Statements of Cash Flows

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

	Baht	
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	10,700,998	7,159,718
Adjustments to reconcile net profit to net cash provided by (use in) operating activities		
Depreciation	3,033,411	2,446,592
Bad debt and doubtful accounts	7,308,124	6,862,184
Loss on write-off withholding tax	726,340	-
Gain on sale of equipment	(749,940)	(43,849)
Gain from operating activities before change in operating assets and liabilities	21,018,933	16,424,645
Change in operating assets (increase) decrease		
Trade accounts receivable	55,034,612	(17,363,337)
Retention receivables	(13,361,257)	(18,732,939)
Inventory	-	89,375
Work in progress	76,107,809	(68,575,484)
Unbilled receivable	197,834,992	(199,405,162)
Withholding tax	(21,010,886)	(3,862,785)
Other current assets	22,937,228	(29,861,662)
Restricted bank deposit	2,465,807	(19,311,328)
Other non-current assets	(864,763)	(2,673,748)
Change in operating liabilities increase (decrease)		
Trade accounts payable	(123,952,491)	124,104,287
Undued construction cost	(83,345,123)	87,204,191
Retention payables	10,810,705	13,125,683
Advance received from construction	(63,989,475)	57,116,842
Accrued expense	(1,028,847)	20,474
Other current liabilities	(942,520)	2,234,479
Net cash provide by (used in) operating activities	77,714,724	(59,466,469)

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

Statements of Cash Flows (Continued)

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

	Baht	
	2007	2006
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(3,590,443)	(3,686,240)
Proceeds from sale of equipment	803,738	103,937
Purchase of investment	(27,036,636)	-
Net cash used in investing activities	(29,823,341)	(3,582,303)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in bank overdraft	(4,588,533)	4,588,533
Financial lease payments	(493,059)	(542,435)
Net cash (used in) provided by financing activities	(5,081,592)	4,046,098
Net (decrease) increase in cash and cash equivalents	42,809,791	(59,002,674)
Cash and cash equivalents at beginning of year	5,446,357	64,449,031
Cash and cash equivalents at end of year	48,256,148	5,446,357
Supplementary disclosure of cash flow information		
Cash paid during the year		
Interest expenses	900,522	109,064
Income tax	25,832,274	19,694,791
Non-cash items during the year		
The Company has acquired fixed asset by way of financial lease	-	567,750

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

Notes to Financial Statements

Focus Engineering and Construction Public Company Limited
For Each of the Years Ended December 31, 2007 and 2006

1. GENERAL INFORMATION

Focus Engineering and Construction Public Company Limited, “the Company” was set up on March 30, 1989, and engages as a construction contractor. On November 4, 2002, the Company was incorporated as a juristic company under the Public Company Act. On October 5, 2004 the Company was listed in the Market for Alternative Investments (MAI) on the Stock Exchange of Thailand.

The registered office of the Company is located at 9th Floor, Almalink Building, 25 Soi Chidlom, Ploenchit Road, Patumwan, Bangkok.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in conformity with generally accepted accounting principle in Thailand.

The financial statements of the Company have been prepared in Thai language, expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purpose. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been translated from the Thai version of the financial statements.

The preparation of financial statements in conformity with Thai accounting standard requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Accordingly, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

3. SIGNIFICANT ACCOUNTING POLICIES

The Measurement Bases Used in Preparing the Financial Statements

Other than those disclosed in other outlines in the summary of significant accounting policies and other notes to the financial statements, the financial statements are prepared on the historical cost basis.

Revenues and Expenses Recognition

Revenue excludes value added taxes or other sales taxes and is arrived at after deduction of trade discounts.

As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognized in the income statement in proportion to the stage of completion of the contract. The stage of completion is assessed using the

Notes to Financial Statements (Continued)

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

percentage of completion method, which is measured by engineer's estimation. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized immediately as an expense in the income statement.

The completed part of construction, which has not yet been delivered for acceptance or for billing, is recorded as unbilled completed work.

Other Income and Expenses

Other income and expenses are recognized in the income statement as it accrues.

The interest component of finance lease payments is recognised in the statement of income using the effective interest rate method.

Trade and other accounts receivable

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

Allowance for doubtful accounts is an estimation of those amounts, which may prove to be uncollectible, based on historical collection experience and review of the current status of existing receivables. Bad debts are written off when incurred.

Long-term Investments

Long-term investments in marketable equity securities represent available-for-sale securities and are stated at fair value. Gain and loss on valuation of securities is included in the shareholders' equity statement. The moving average method is used to determine the cost of each security at the time of sale.

Work in progress

Work in progress is stated at cost less allowance for impairment losses (if)

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment (if)

Leased assets

Leases in terms of which the Company substantially assumes all the risk and rewards of ownership are classified as finance leases. Equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between financial charge and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Financial charges are charged directly to the statement of income.

Notes to Financial Statements (Continued)

Focus Engineering and Construction Public Company Limited
 For Each of the Years Ended December 31, 2007 and 2006

Depreciation is computed by the straight-line method based on the estimated useful lives of assets as follows:

	Years
Construction	5
Machinery	5
Technician’s tools and equipment	5
Furniture and office equipment	5
Trucks and decorative items	5
Vehicles and equipment	5

Impairment of assets

The Company will consider the impairment of assets when there are incidents or changes in the environment which indicate that the book value of the assets is higher than the recoverable amount (the higher of net selling price of the particular assets or its value in use). The impairment review, will consider the impairment of an individual asset or a “cash generating unit”.

In the case that the book value of the asset is higher than its recoverable amount, the Company will recognize loss from the impairment of the asset in the statement of income. The Company then will reverse the loss from impairment of assets previously recognized when there are indications that impairment will discontinue or will diminish by such recording in other income. The loss from the revision, however, must not exceed the book value of the assets (net of depreciation and amortization) as if the Company has never before recognized loss from impairment of assets in the previous period.

Income Tax

Income tax has been calculated on net profit for the years after adding back certain expenses which are disallowable for tax computation purposes. Current tax is using tax rates enacted at the balance sheet date.

Basic Earnings per Share

Earnings per share as presented in the statements of income are the basic earnings per share which is determined by dividing net profit for the year by the weighted average number of common shares held by outsiders and outstanding during the year.

Cash and Cash equivalents

Cash and cash equivalents are cash on hand, call deposits and short-term investments with high liquidity net of deposits at bank on obligation.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Notes to Financial Statements (Continued)

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

4. RELATED PARTY TRANSACTIONS AND BALANCES

Part of the Company's accounting transactions resulted from transactions with its related persons and companies. These companies are related through common shareholdings and/or directorships. The significant accounting transactions with its related parties as included in the financial statements are determined at the price in line with those occurring in the normal course of business based on the market price or, where no market price exists, at contractually agreed prices.

The significant balance of assets and liabilities with related parties as at December 31, 2007 and 2006 are as follows:

	Relation	Baht	
		2007	2006
<u>Accounts payable from purchases of investments</u>			
- Related company			
Syrus Securities Public Company Limited	Director	562,098	-

The significant related party transactions for the years ended December 31, 2007 and 2006 are as follows:

	Relation	Baht	
		2007	2006
<u>Commission from purchase investment</u>			
- Related company			
Syrus Securities Public Company Limited	Director	52,456	-
<u>Directors' remuneration</u>			
Director	Director	764,000	264,000

5. TRADE ACCOUNTS RECEIVABLE

As at December 31, 2007 and 2006, the Company has outstanding balances of trade accounts receivable aged by number of months as follows:

	Baht	
	2007	2006
Less than 3 months	14,159,347	65,745,720
Over 3 months to 6 months	3,249,410	6,248,502
Over 6 months to 12 months	10,740,170	12,147,923
Over 12 months	4,294,536	4,686,072
Total trade accounts receivable	32,443,463	88,828,217

Notes to Financial Statements (Continued)

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

6. RETENTION RECEIVABLES

Retention receivables as at December 31, 2007 and 2006, consisted of :

	Baht	
	2007	2006
Retention receivables	67,697,634	55,949,667
<u>Less</u> Allowance for doubtful debts	(13,307,738)	(14,880,462)
Retention receivables – net	54,389,896	41,069,205

Retention receivables are service fee deducted by the customers in the rate of 5% - 10% of the service fee. The retention will be returned to the Company after the Company completed the work as stated in the contract.

Retention receivables in the amount of Baht 13,307,738 are the retention receivables from the Samut Prakarn Wastewater Management Project, and the Company was advised that the project agreement of the engagement party is under prosecution. The Company has therefore set up a provision for doubtful debts of the retention receivable, for the full amount.

7. UNBILLED RECEIVABLES

Unbilled Receivables as at December 31, 2007 and 2006, consisted of :

	Baht	
	2007	2006
Unbilled Receivables	66,281,823	266,552,377
<u>Less</u> Allowance for doubtful debts	(4,039,938)	(5,545,251)
Unbilled receivables – net	62,241,885	261,007,126

8. RESTRICTED BANK DEPOSIT

Restricted bank deposits with obligation as at December 31, 2007 and 2006 in the amount of Baht 16.85 million and Baht 19.31 million, respectively, were pledged as collateral for credit line from banks.

9. OTHER LONG-TERM INVESTMENTS

Other long-term investments as at December 31, 2007 and 2006 consisted of:

	Baht			
	2007		2006	
	Cost	Fair Value	Cost	Fair Value
Available-for-sale securities	27,036,636	24,052,724	-	-
<u>Less</u> Allowance for devaluation of securities	(2,983,912)	-	-	-
Other Long-term investment – Net	24,052,724	24,052,724	-	-

Notes to Financial Statements (Continued)

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

10. PLANT AND EQUIPMENT-NET

The movement of plant and equipment for the year ended December 31, 2007 consisted of:

	Baht			
	Balance as at January 1, 2007	Increase	Decrease	Balance as at December 31, 2007
<u>Cost</u>				
Construction	751,087	-	-	751,087
Machinery	23,175,996	1,400,000	1,211,968	23,364,028
Technician's tools and equipment	5,567,131	1,258,737	167,420	6,658,448
Furniture and office equipment	4,020,793	931,706	28,930	4,923,569
Trucks and decorative items	946,233	-	-	946,233
Vehicles and equipment	4,344,277	-	56,075	4,288,202
Total	38,805,517	3,590,443	1,464,393	40,931,567
<u>Accumulated depreciation</u>				
Construction	175,322	150,011	-	325,333
Machinery	23,008,057	79,143	1,211,967	21,875,233
Technician's tools and equipment	1,998,436	1,241,411	117,422	3,122,425
Furniture and office equipment	1,902,146	809,645	25,132	2,686,659
Trucks and decorative items	946,203	-	-	946,203
Vehicles and equipment	1,515,712	753,201	56,074	2,212,839
Total	29,545,876	3,033,411	1,410,595	31,168,692
Equipment – net	9,259,641			9,762,875

Depreciation for the year 2007, in the amount of Baht 3.03 million (in year 2006: Baht 2.45 million) is recorded in the statement of income.

As at December 31, 2007, the Company has plant and equipment still in use which have been fully depreciated with original cost of Baht 23.55 million (in year 2006: Baht 24.83 million)

Notes to Financial Statements (Continued)

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

11. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at December 31, 2007 and 2006, consisted of:

	Baht	
	2007	2006
Bank overdrafts	-	4,588,533

As at December 31, 2007 and 2006, bank overdraft facilities in the amount of Baht 28 million are guaranteed by a third party and the third party's land, other company's land and the Company's restricted bank deposits, with interest charged at the rate MOR and Fixed + 1.5% per annum. Moreover, the Company has project's facilities of discounted promissory note against invoice in the amount of Baht 138.50 million, with interest charged at the rate MLR per annum.

12. CONSTRUCTION CONTRACTS

As at December 31, 2007 and 2006, construction contracts are as follows:

	Baht	
	2007	2006
Contract revenue recognized as revenue in the period	702,779,301	813,074,617
Contract cost incurred to date	784,993,329	1,093,442,019
Recognized profits less recognized losses	79,769,010	63,721,161
	864,762,339	1,157,163,180
Progress billing	798,480,516	890,610,803
Unbilled receivables	66,281,823	266,552,377
Advances received	34,650,678	98,640,153
Retentions	67,697,634	55,949,667

13. SEGMENT INFORMATION

The Company's operations involve principally a single industry segment, by providing construction service, and are arrived on in the single geographic area in Thailand. The revenue for each of the years ended December 31, 2007 and 2006, consisted of:

	Baht	
	2007	2006
Revenues from construction	702,779,301	813,074,617
Revenue from provision and sale of construction materials	-	7,908,062
Total	702,779,301	820,982,679

The total amounts of revenues and assets as reflected in these financial statements pertain to the aforementioned industry segment and geographic area.

Notes to Financial Statements (Continued)

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

14. LIABILITY UNDER FINANCIAL LEASE

	Baht	
	2007	2006
Liabilities under financial lease	1,008,545	1,501,604
<u>Less</u> Current portion	(471,643)	(636,108)
Long - term liabilities under financial lease	536,902	865,496

As at December 31, 2007, the Company has financial lease agreements for vehicles which payable monthly in the amount of Baht 43,086 (in year 2006: Baht 58,933). The current portion of liability under the financial lease agreement in the amount of Baht 0.47 million (in year 2006: Baht 0.64 million) was presented under current liabilities.

Moreover, the Company has committed to pay each year under the financial lease agreement as follows:

Year	Million Baht	
	2007	2006
1	0.52	0.56
2 - 5	0.56	1.08
	1.08	1.64

15. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2007 the Company had commitments and contingent liabilities as follows:

- From letters of guarantee issued by banks of Baht 144.97 million.
- From guarantee of loans from banks with a related company according to the working cooperation in the name of Apec – Focus Consortium of Baht 25 million.
- From office rental and service agreement in the amount of Baht 1.84 million.
- From land rental agreement for temporary warehouse and workers' housing in the amount of Baht 0.01 million.
- Payment under a purchase land contract in Bangkok for property development in the future in the amount of Baht 53.00 million
- Payment under purchase equipment contract in the amount of Baht 3.85 million.
- Payment under construction contract in the amount of Baht 39.73 million.

Notes to Financial Statements (Continued)

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

16. PERSONNEL EXPENSES

Personnel expense and the number of employees for each of the years ended December 31, 2007 and 2006 consisted of:

	2007	2006
Staff costs (Million Baht)	31.49	29.39
Number of the employees as the end of year (persons)	80	80

17. DISCLOSURES OF FINANCIAL INSTRUMENTS

The Company does not speculate or engage in the trading of any derivative financial instruments.

Credit Risk

Credit risk is the risk arising from failure of customers or counter parties to meet their contractual obligations. The credit risk occurs when the party fails to fulfill the contractual agreement, which may eventually cause financial losses. The Company has determined a risk protection policy through analysis of the customer and counter parties' financial status, and also defines the policy for credit approval and debt collection period.

Credit of the Company is the credit for trade provided to the customers that is the general customary trading practice, including loans to the related party.

Interest Rate Risk

Interest rate risk is the uncertainty in value of financial assets and liabilities or net interest income as a result of the fluctuation of the market interest rate.

Most of the interest rates of financial assets and liabilities of the Company are floating rates, which are based on market rates such as the interest rate for the good clients of a commercial bank, savings interest rate or other benchmark floating rates.

Fair Value

Fair value is the value which the Company expects to receive from disposing of financial assets, or the value that the Company expects to pay for redemption of financial debt by using the market value or the appraisal value of the general financial market methodology.

The fair value of financial assets and liabilities is close to the carrying value in the financial statements. (Approximate Carrying Value).

Notes to Financial Statements (Continued)

Focus Engineering and Construction Public Company Limited

For Each of the Years Ended December 31, 2007 and 2006

18. EVENTS AFTER BALANCE SHEET DATE

At the meeting of the Board of Directors held on November 15, 2007, the Board of Directors passed a resolution to approve purchase in portion of 51 % of common stock of a company issued and paid up share capital in the amount of Baht 10.20 million. On January 18, 2008 the Company entered into a purchase agreement and already paid deposit in the amount of Baht 1.02 million.

19. RECLASSIFICATION

Certain accounts in the 2006 financial statements have been reclassified to conform to presentation in the 2007 financial statements presentation, for comparative purposes.

20. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized directors on February 7, 2008.

Remuneration for Auditors

Remuneration for Auditors

1. Audit Fee

In 2007, the Company and its subsidiaries paid the following audit fees:

- The Company's auditor, totaling0..... baht in the last financial year.
- The Auditor's Audit firm and individual or firms relating to the Auditor and Audit firm, totaling.....375,000-.....baht in the last financial year.

2. Non-Audit Fees

Company and its subsidiaries paid for other services, namely:none.....

- The Company's Auditor, totaling0..... baht in the previous financial year, and future payments arising from agreed but unfinished services in the past financial year totaling0..... baht.
- The Auditor's Audit firm and individual or firms relating to the Audit and Audit Company, totaling0..... baht in the last financial year, and future payments arising from agreed but unfinished services in the past financial year totaling0..... baht.