

STEEL INTERTECH PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS OF DECEMBER 31, 2009 AND 2008

		2009	2008
		<u>BAHT</u>	<u>BAHT</u>
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	(Note 5)	4,800,715.85	13,269,852.89
Accounts Receivable and Notes Receivable - Net	(Note 6)	37,685,485.47	40,714,258.15
Unbilled on Completed Works	(Note 7)	20,009,938.34	7,158,991.06
Inventories - Net	(Note 8)	41,044,277.52	47,345,591.46
Others Current Assets		3,875,039.19	4,147,972.91
TOTAL CURRENT ASSETS		<u>107,415,456.37</u>	<u>112,636,666.47</u>
NON - CURRENT ASSETS			
Property, Plant and Equipment - Net	(Note 9)	80,811,263.73	88,730,728.69
Intangible Assets - Net	(Note 10)	479,747.33	512,463.11
Retention Account Receivable -Net	(Note 11)	3,335,581.43	1,575,563.03
TOTAL NON - CURRENT ASSETS		<u>84,626,592.49</u>	<u>90,818,754.83</u>
TOTAL ASSETS		<u>192,042,048.86</u>	<u>203,455,421.30</u>

Notes to financial statements are an integral part of these statements.

STEEL INTERTECH PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS OF DECEMBER 31, 2009 AND 2008

		2009	2008
		<u>BAHT</u>	<u>BAHT</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short Term Loan from Financial Institution	(Note 12 , 13)	10,000,000.00	8,000,000.00
Trade Accounts Payable		50,487,955.42	54,634,532.31
Current Portion of Long Term Loans	(Note 12 , 14)	3,036,000.00	3,036,000.00
Current Portion of Liabilities Under Financial Lease Agreement	(Note 15)	1,592,990.81	929,244.44
Other Current Liabilities			
Accrued Expenses		4,040,879.67	4,508,713.30
Dividend Payable	(Note 19)	10,003,170.00	5,007.50
Over Collection by Completed Works	(Note 7)	8,140,148.25	4,342,544.82
Others		5,637,003.39	9,026,809.70
TOTAL CURRENT LIABILITIES		<u>92,938,147.54</u>	<u>84,482,852.07</u>
NON - CURRENT LIABILITIES			
Long Term Loan from Financial Institution	(Note 12 , 14)	10,803,681.35	13,839,681.35
Liabilities under Financial Lease Agreement - Net	(Note 15)	1,632,271.23	3,670,911.19
TOTAL NON - CURRENT LIABILITIES		<u>12,435,952.58</u>	<u>17,510,592.54</u>
TOTAL LIABILITIES		<u>105,374,100.12</u>	<u>101,993,444.61</u>
SHAREHOLDERS' EQUITY			
Share Capital			
Authorized Share Capital:			
50,000,000 Ordinary Shares @ Baht 1.00		50,000,000.00	50,000,000.00
Issued and Paid-up Share Capital:			
50,000,000 Ordinary Shares @ Baht 1.00		50,000,000.00	50,000,000.00
Premium on Share Capital		25,870,200.00	25,870,200.00
Retained Earnings			
Appropriated			
Legal Reserve		5,415,157.44	5,415,157.44
Unappropriated		5,382,591.30	20,176,619.25
TOTAL SHAREHOLDERS' EQUITY		<u>86,667,948.74</u>	<u>101,461,976.69</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>192,042,048.86</u>	<u>203,455,421.30</u>

Notes to financial statements are an integral part of these statements.

STEEL INTERTECH PUBLIC COMPANY LIMITED

STATEMENTS OF INCOME

AS OF DECEMBER 31, 2009 AND 2008

	2009	2008
	<u>BAHT</u>	<u>BAHT</u>
Revenue from Sales	148,316,246.21	223,173,804.79
Revenue from Sales and Installation	144,810,431.97	136,947,416.31
TOTAL REVENUES	<u>293,126,678.18</u>	<u>360,121,221.10</u>
Cost of Sales	(127,420,573.05)	(178,712,765.04)
Cost of Sales and Installation	(121,354,008.23)	(114,045,133.03)
TOTAL COST	<u>(248,774,581.28)</u>	<u>(292,757,898.07)</u>
GROSS PROFIT	<u>44,352,096.90</u>	<u>67,363,323.03</u>
Other Income	2,649,223.08	3,253,322.79
PROFIT (LOSS) BEFORE EXPENSE	<u>47,001,319.98</u>	<u>70,616,645.82</u>
Selling Expenses	(7,086,650.94)	(7,596,870.77)
Administrative Expenses	(22,042,636.66)	(23,183,763.75)
Management Remuneration (Note 16)	(10,858,978.20)	(11,696,170.32)
TOTAL EXPENSES	<u>(39,988,265.80)</u>	<u>(42,476,804.84)</u>
PROFIT (LOSS) BEFORE COST OF FINANCIAL AND INCOME TAX	<u>7,013,054.18</u>	<u>28,139,840.98</u>
Cost of Financial	(1,728,012.71)	(1,706,588.95)
PROFIT (LOSS) BEFORE INCOME TAX	<u>5,285,041.47</u>	<u>26,433,252.03</u>
Income Tax (Note 17)	(1,581,289.42)	(6,265,509.75)
NET PROFIT (LOSS)	<u><u>3,703,752.05</u></u>	<u><u>20,167,742.28</u></u>
BASIC EARNINGS(LOSS) PER SHARE (BAHT)	0.07	0.40
NUMBER OF ORDINARY SHARES (SHARES)	50,000,000.00	50,000,000.00

Notes to financial statements are an integral part of these statements.

STEEL INTERTECH PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED ON DECEMBER 31, 2009 AND 2008

	Issued and Paid - up	Premium on	Retained Earnings		Total
			Share Capital	Share Capital	
	<u>BAHT</u>	<u>BAHT</u>	<u>BAHT</u>	<u>BAHT</u>	<u>BAHT</u>
Balance as of December 31, 2008	50,000,000.00	25,870,200.00	5,415,157.44	20,176,619.25	101,461,976.69
Dividend Payment (Note 19)	-	-	-	(18,497,780.00)	(18,497,780.00)
Net Profit (Loss)	-	-	-	3,703,752.05	3,703,752.05
Balance as of December 31, 2009	50,000,000.00	25,870,200.00	5,415,157.44	5,382,591.30	86,667,948.74
Balance as of December 31, 2007	50,000,000.00	25,870,200.00	4,601,213.14	15,822,821.27	96,294,234.41
Legal Reserve (Note 19)	-	-	813,944.30	(813,944.30)	-
Dividend Payment (Note 19)	-	-	-	(15,000,000.00)	(15,000,000.00)
Net Profit (Loss)	-	-	-	20,167,742.28	20,167,742.28
Balance as of December 31, 2008	50,000,000.00	25,870,200.00	5,415,157.44	20,176,619.25	101,461,976.69

Notes to financial statements are an integral part of these statements.

STEEL INTERTECH PUBLIC COMPANY LIMITED
CASH FLOW STATEMENTS
FOR THE YEAR ENDED ON DECEMBER 31, 2009 AND 2008

	2009	2008
	Baht	Baht
CASH FLOW FROM OPERATING ACTIVITIES		
Profit (Loss) Before Income Tax	5,285,041.47	26,433,252.03
Adjustment to net profit (loss) before corporate income tax for cash received (paid) from operations		
Doubtful Debts - Accounts Receivable and Notes Receivable	1,544,162.80	3,174,490.05
Doubtful Debts - Other Accounts Receivable	150,181.91	-
Loss from Declining in Value of Inventories	101,484.89	886,787.43
Depreciation	8,290,194.93	8,520,603.06
(Profit) Loss from Sales of Property, Plant and Equipment	(27,469.90)	(302,488.74)
Unrealized (Gain) Loss on Exchange Rate	(216,962.62)	-
Loss from Written off Assets	23,191.18	19,328.60
Loss from Written off Intangible Assets	-	792,175.88
Amortized Expense of Intangible Assets	118,415.78	53,595.45
Interest Expenses	1,064,912.49	1,227,734.14
Amortized Interest Expenses of Financial Lease Agreement	298,750.24	321,337.19
Net Profit(Loss) from Operation before Changes in Operating Assets and Liabilities	16,631,903.17	41,126,815.09
(Increase)Decrease in Accounts Receivable and Notes Receivable	1,540,554.74	2,239,327.03
(Increase)Decrease in Unbilled on Completed Works	(12,850,947.28)	(1,927,778.75)
(Increase)Decrease in Inventories	6,181,604.85	(23,214,617.29)
(Increase)Decrease in Retention Account Receivable	(1,760,018.40)	1,962,374.09
(Increase)Decrease in Other Current Assets	1,858,549.35	(3,619,520.49)
Increase(Decrease) in Accounts Payable	(3,929,614.27)	(5,211,216.61)
Increase(Decrease) in Accrued Expenses	(467,833.63)	1,645,586.33
Increase(Decrease) in Over Collection by Completed Works	3,797,603.43	2,106,354.57
Increase(Decrease) in Other Current Liabilities	(2,239,893.06)	2,991,646.17
Cash Received (Paid) from Operating Activities	8,761,908.90	18,098,970.14
Cash Payment Corporate Income Tax and Withholding Tax	(4,161,135.27)	(5,936,984.89)
NET CASH PROVIDED (USED) FROM OPERATING ACTIVITIES	4,600,773.63	12,161,985.25
CASH FLOW FROM INVESTING ACTIVITIES		
Cash Received from Sales of Property, Plant and Equipment	27,529.40	933,591.96
Cash Payment for Purchase of Property, Plant and Equipment	(737,566.25)	(11,483,708.70)
Cash Payment in Interest Expenses has Combined in Cost of Building	-	(84,283.19)
Cash Payment For Intangible Assets	(85,700.00)	-
(Increase)Decrease in Others Non-Current Assets	-	(166,927.80)
NET CASH PROVIDED (USED) FROM INVESTING ACTIVITIES	(795,736.85)	(10,801,327.73)

Notes to financial statements are an integral part of these statements.

STEEL INTERTECH PUBLIC COMPANY LIMITED
CASH FLOW STATEMENTS
FOR THE YEAR ENDED ON DECEMBER 31, 2009 AND 2008

	2009	2008
	Baht	Baht
CASH FLOW FROM FINANCING ACTIVITIES		
Cash Payment for Liabilities Under Financial Lease Agreement	(1,673,643.83)	(1,922,482.88)
Cash Payment for Interest	(1,064,912.49)	(1,227,734.14)
Increase(Decrease) in Short - Term Loans from Financial Institute	2,000,000.00	8,000,000.00
Cash Received from Long - Term Loans	-	6,065,088.70
Cash Payment for Long - Term Loans	(3,036,000.00)	(2,676,000.00)
Cash Payment for Dividends	(8,499,617.50)	(14,998,492.50)
NET CASH PROVIDED (USED) FROM FINANCING ACTIVITIES	(12,274,173.82)	(6,759,620.82)
Cash and Cash Equivalent Items Increase(Decrease) - Net	#REF!	#REF!
Cash and Cash Equivalent Items at the Beginning of the Period	13,269,852.89	18,668,816.19
Cash and Cash Equivalent Items at the Ending of the Period	#REF!	#REF!
Additional Disclosure of Cash Flow:		
1. Cash Payment for Purchase of Property, Plant and Equipment		
Other Account Payable for Fixed Assets-Beginning	361,809.80	1,122,654.70
<u>Add</u> Purchase of Property, Plant and Equipment within period	375,756.45	10,807,146.99
	737,566.25	11,929,801.69
<u>Less</u> Cash Payment in Interest Expenses has Combined in Cost of Building	-	(84,283.19)
<u>Less</u> Other Account Payable for Fixed Assets-Ending	-	(361,809.80)
Cash Payment for Purchase of Property, Plant and Equipment	737,566.25	11,483,708.70
2. Non-cash Transactions		
2.1 Allowance for Doubtful Accounts Decrease from Output Tax Suspense	55,944.86	58,284.81
2.2 Property, Plant and Equipment Increase by transfer from Inventories	18,224.20	-
2.3 The Company Purchased Vehicle under Financial Lease Agreement	-	899,000.00
2.4 A part of Factory Building Increased from Transferring Assets Under Construction	-	23,975,198.18

Notes to financial statements are an integral part of these statements.

STEEL INTERTECH PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

1. General Information

The Company was registered on August 6,1993, registration number (3)215/2536 and later registered as a public company on March 16,2005, registration number 0107574800137 with its registered head office located at 8/88 Moo 12, Rachathewa, Bangplee, Samutprakran and branch office is located at 8 Moo 15, Bangpleeyhai, Bangplee, Samutprakarn. The Company has Aunwarawong's Family by the major shareholder in the rate shareholder of 46% of share capital.

The Company operates main business in relation to sales of construction material, production of roof sheet and service rendered of installation of roof sheets.

2. The Basis of Preparation of the Financial Statements

2.1 The Company had prepared the financial statements in accordance with Thai Accounting Standards including related interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.

2.2 The financial statements are prepared on the historical cost basis except as disclosed in the accounting policies.

2.3 In order to prepare the financial statements to comply with generally accepted accounting standards, the company's management had to make some estimates and suppositions which may have an effect on the amount shown for revenue, expenses, assets and liabilities and also on the disclosures concerning assets and contingent liabilities, therefore the actual result may differ the estimated amount.

2.4 For the convenience of the user, and English translation of the financial statements has been prepared from the financial statements that are issued in the Thai language.

3. Adoption of Accounting Standards, Financial Reporting Standard and Accounting Framework

3.1 Revised Thai Accounting Standards and Thai Financial Reporting Standards and Revised Accounting Framework which are effective for the current year. The Company assess these following accounting standards, financial reporting standards and accounting framework which were related to our business operation.

TAS 36	(Revised 2007)	"Impairment of Assets"
IFRS 5	(Revised 2007)	"Non-current Assets Held for Sale and Discontinued Operations (Former: 54)
Accounting Framework	(Revised 2007)	Effective On June 26, 2009.

3.2 The revised accounting standards and new accounting standards which are effective for the period beginning on or after January 1, 2011 and January 1, 2012 and which were not early adopted by the Company are as follows:

Effective on January 1, 2011

TAS 24	(Revised 2007)	“Related Party Disclosure” (Former: 47)
TAS 40		“Investment Property”

Effective on January 1, 2012

TAS 20		“Accounting for Government Grants and Disclosure for Government Assistance”
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These accounting standards, financial reporting standards and accounting framework have not any significant affected on our financial statement.

Thai Accounting Standards were renumbered with an effect on June 26, 2009 following an announcement by the Federation of Accounting Professions in order to conform to the number used in the International Financial Reporting Standards.

4. Summary of Significant Accounting Policy

4.1 Revenues Recognition

- Sales revenue is recognized when goods have been delivered to customer.
- Revenue from sales and installation is recognized in accordance with the percentage of completion method which is computed in accordance with the ratio of actual cost of sale and installation services rendered over the entire cost which is estimated to use in the sale and installation services rendered.
- Revenue of interest receivable is recognized in accordance with the portion of period which is computed from outstanding principle.

4.2 Expenses Recognition

- Expenses are recognized on accrual basis.

4.3 Cash and Cash Equivalent

Cash and equivalent items are included cash at bank in saving accounts, current accounts and fixed accounts not over than 3 months and free from any guarantees.

4.4 Trade Account Receivable, Other Account Receivable and Allowance for Doubtful Debt

Trade account receivable and other account receivable are reflected by net realizable value. The Company records allowance for doubtful debt for loss result by estimating the contingent amount from non-collection from accounts receivable while it is generally considered from experience of collection, aging analysis and status review of accrued accounts receivable as of the date in the balance sheet.

4.5 Inventories

Inventories are valued at cost under FIFO method or net realizable value whichever is lower.

4.6 Borrowing Costs

Interest expense which incurred from loan so as for use in the construction of building, procurement of machinery and equipment is recorded as part of asset cost and will cease the record of interest to be asset cost when the construction or installation is completed.

4.7 Property, Plant and Equipment

Property, plant and equipment are recorded at cost on the transaction date after deduction of depreciation expenses which are calculated on a straight-line method over their approximate useful-life as follows:

Building	20 Years
Machinery	5-10 Years
Mould	5 Years
Tools and Equipment	5 Years
Furniture and Fixture	5 Years
Office Equipment	5 Years
Computer and Computer Equipment	5 Years

No depreciation is provided to land and assets under construction.

Expenditure in respect of improvement, life renewal or asset improvement which causes the present replacement cost of asset increased materially will be included as cost of asset. For repairable and maintenance is recognized as expense in the incurred accounting period.

Gain or loss from disposal of property, plant and equipment is computed from discrepancy between net cash received and book value and recognized as other revenue or other expense in the statement of income.

4.8 Intangible Asset

Intangible Asset, type of computer software is valued at cost on the transaction date deducted accumulated amortization; amortization is calculated by reference to its cost on a straight line method over the 5 years useful life.

4.9 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Impairment with cost, if assets exceed its recoverable amount, the Company will recognize an impairment loss in the statement of income.

Calculation of recoverable amount

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

Reversals of impairment

- An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. All reversals of impairment losses are recognized in the statement of income.

4.10 Provisions

Provision are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

4.11 Financial Leased Contract

Where the Company is the lessee

The contract of leased asset carried the risk and owner remuneration is mainly transferred to lessee will be classified as financial leased contract. The contract of financial lease is recorded as capital expenditure by fair value of leased asset or present value of minimum amount which has to repay in accordance with the leased contract whichever amount is lower. The amount which has to repay in each time will be divided as liability portion and financial expense so that fixed interest rate over outstanding accrued liability of obligation commitment according to the financial lease contract will be recorded as long term liability. Interest payable will be recorded in the statement of income throughout the leased contract life. Asset which acquired by financial leased contract will be depreciated in accordance with the estimated useful life of those assets.

4.12 Employees benefit

The company is recognized salary, wage, bonus, social security fund, staff provident fund and other staff welfare are expense on date the transaction occur.

4.13 Items Denominated in Foreign Currencies

Items denominated in foreign currencies are recorded in Baht at the prevailing exchange rate when the transactions occur, and their balances of assets and liabilities at the ended of period are converted into Baht at the prevailing exchange rate on that date. Profit or loss arising from such conversion is shown as revenues or expenses in the income statements.

4.14 Financial Instruments

Financial instruments, financial assets were shown in balance sheets composed of cash and cash at banks, accounts receivable. Financial liabilities were shown in balance sheets composed of accounts payable and borrowings. The accounting policy of each item would be disclosed in separated items.

4.15 Basic Earning (Loss) per Share

Basic earning (loss) per share is calculated by dividing net profit (loss) with the number of issued and paid-up shares at the end of the period. The company did not calculate the fully diluted earnings (loss) per share since it has no ordinary share equivalent.

5. Cash and Its Equivalent Item

Consists of:

	As of December 31, 2009 Baht	As of December 31, 2008 Baht
Cash	40,000.00	40,000.00
Bank Deposit – Current Accounts	3,306,036.35	1,004,959.37
Bank Deposit – Saving Accounts	1,454,679.50	12,224,893.52
Total	<u>4,800,715.85</u>	<u>13,269,852.89</u>

6. Accounts Receivable and Notes Receivable – Net

Consists of:

	As of December 31, 2009 Baht	As of December 31, 2008 Baht
Post Date Cheque	4,826,822.00	13,492,420.71
Return Cheque	11,555,437.36	5,587,483.96
Accounts Receivable		
Within due period	7,391,590.63	10,592,719.21
Over 1 – 30 Days	13,788,818.30	4,384,709.32
Over 31 – 60 Days	1,587,384.52	7,516,758.69
Over 61 – 120 Days	3,259,437.44	2,043,200.48
Over 121 – 180 Days	844,524.30	763,399.45
Over 180 Days	7,541,479.71	7,955,357.18
Total	<u>50,795,494.26</u>	<u>52,336,049.00</u>
<u>Less</u> Allowance for Doubtful Debt	<u>(13,110,008.79)</u>	<u>(11,621,790.85)</u>
Net	<u>37,685,485.47</u>	<u>40,714,258.15</u>

As of December 31, 2009 and 2008, The movement of allowance for doubtful accounts was as follows:

	As of December 31, 2009 Baht	As of December 31, 2008 Baht
Allowance for Doubtful Debt was movement transaction		
Beginning	(11,621,790.85)	(8,389,015.99)
<u>Add</u> Increase during periods	(2,080,857.22)	(4,737,636.36)
<u>Less</u> Reversed From Cash Receiving	559,167.30	1,504,861.50
<u>Less</u> Reversed From Write-off	33,471.98	-
Ending	<u>(13,110,008.79)</u>	<u>(11,621,790.85)</u>

7. Unbilled on Completed Works and Over Collection by Completed Works

Consists of:

	As of December 31, 2009 Baht	As of December 31, 2008 Baht
Contract Value	<u>271,691,681.18</u>	<u>191,725,442.09</u>
Cost of Sales and Installation until Current Period	180,279,434.56	128,958,989.14
Recognition of Profit(Loss) until Current Period	<u>17,514,183.98</u>	<u>25,332,215.99</u>
Cost of Sales and Installation and Recognition of Profit(Loss)	197,793,618.54	154,291,205.13
<u>Less</u> Progress billings	<u>(185,923,828.45)</u>	<u>(151,474,758.89)</u>
Net	<u>11,869,790.09</u>	<u>2,816,446.24</u>
Unbilled on Completed Works	20,009,938.34	7,158,991.06
Over Collection by Completed Works	(8,140,148.25)	(4,342,544.82)

8. Inventories – Net

Consists of:

	As of December 31, 2009 Baht	As of December 31, 2008 Baht
Finished Goods	3,721,354.93	1,863,505.76
Works in Process	3,202,449.00	1,180,458.74
Raw Materials	32,629,746.67	44,846,802.65
Supplies	408,925.06	508,253.43
Goods in transit	2,236,715.87	-
Total	42,199,191.53	48,399,020.58
<u>Less</u> Allowance for Declining in Value of Inventories	(1,154,914.01)	(1,053,429.12)
Total	41,044,277.52	47,345,591.46

As of December 31, 2009 and 2008, Allowance for declining in value of inventories was movement transaction as follow:

	As of December 31, 2009 Baht	As of December 31, 2008 Baht
Beginning	(1,053,429.12)	(166,641.69)
<u>Add</u> Increase during periods	(101,484.89)	(886,787.43)
<u>Less</u> Transfer out/Sales	-	-
Ending	(1,154,914.01)	(1,053,429.12)

As of December 31, 2009 and 2008 the Company has insured against fire insurance of finished goods, raw material and supplies carried insurance amount of Baht 6.80 million whereby beneficiaries from insurance is granted to one merchant bank in accordance with note no. 12.

9. Property, Plant and Equipment – Net

Consists of:

	Balance As of January 1,2009 Baht	Increase/ Transfer in Baht	Sale/ Transfer out Baht	Balance As of December 31,2009 Baht
Cost :				
Land and Land Improvements	36,103,655.79	-	-	36,103,655.79
Factory Building	34,765,709.53	-	-	34,765,709.53
Building Improvements – Factory	4,353,738.78	-	-	4,353,738.78
Machineries	16,632,338.14	-	(184,800.00)	16,447,538.14
Mould	4,846,020.84	-	-	4,846,020.84
Tools and Equipment	4,547,753.90	178,424.88	(101,263.21)	4,624,915.57
Vehicles	11,432,769.69	-	-	11,432,769.69
Office Equipment	3,977,766.19	138,014.20	(21,350.00)	4,094,430.39
Furniture and Fixtures	948,822.16	-	-	948,822.16
Computer and Computer Equipment	1,857,119.54	77,541.57	(18,214.95)	1,916,446.16
Total Cost	119,465,694.56	393,980.65	(325,628.16)	119,534,047.05
Accumulated Depreciation :				
Factory Building	(5,738,799.77)	(1,738,285.44)	-	(7,477,085.21)
Building Improvements – Factory	(1,595,054.19)	(756,029.99)	-	(2,351,084.18)
Machineries	(9,814,765.63)	(895,010.06)	184,797.00	(10,524,978.69)
Mould	(2,264,760.82)	(900,985.45)	-	(3,165,746.27)
Tools and Equipment	(2,888,306.25)	(650,475.71)	78,076.03	(3,460,705.93)
Vehicles	(5,291,655.76)	(2,220,062.56)	-	(7,511,718.32)
Office Equipment	(1,734,805.97)	(683,589.22)	21,290.50	(2,397,104.69)
Furniture and Fixtures	(329,431.70)	(175,362.37)	-	(504,794.07)
Computer and Computer Equipment	(1,077,385.78)	(270,394.13)	18,213.95	(1,329,565.96)
Total Accumulated Depreciation	(30,734,965.87)	(8,290,194.93)	302,377.48	(38,722,783.32)
Net	88,730,728.69			80,811,263.73

Depreciation for the year**Ended on December 31,**

2009	8,290,194.93
2008	8,520,603.06

As of December 31, 2009, a part of vehicles in book value amount of Baht 3.02 million (As of December 31, 2008, in amount of Baht 4.74 million), occurrence from financial lease agreement in accordance with note no. 16.

As of December 31, 2009, the Company pledged land, property plus existing and contingent construction was mortgaged in book value amount of Baht 63.27 million (As of December 31, 2008 in amount of Baht 65.01 million), guaranteed against loan due to one merchant bank. In addition, the beneficiary from insurance for the property in the amount according to the insurance contract in amount of Baht 34.20 million is granted to such commercial bank according with note no. 12.

As of December 31, 2009, the Company had assets with the depreciation fully calculated but still in use which had a cost value of Baht 12.92 million which have book value in amount of Baht 285 (As of December 31, 2008: cost value of Baht 10.16 million which have book value in amount of Baht 178).

As of December 31, 2008, the Company has combined cost of loan as cost of building in amount of Baht 0.08 million which is cost of loan incurred from loan borrowed for the purpose of office building construction which had stop recognized the cost of loans in February 1, 2008, since the office building have ready in used.

10. Intangible Assets –Net

Consists of:

	Balance As of January 1,2009 Baht	Increase/ Transfer in Baht	Sale/ Transfer out Baht	Balance As of December 31,2009 Baht
Cost :				
Computer Software	595,760.00	85,700.00	-	681,460.00
Total Cost	595,760.00	85,700.00	-	681,460.00
Accumulated Depreciation :				
Computer Software	(83,296.89)	(118,415.78)	-	(201,712.67)
Total Accumulated Depreciation	(83,296.89)	(118,415.78)	-	(201,712.67)
Net	512,463.11			479,747.33

11. Retention Account Receivable – Net

Consists of :

	As of December 31, 2009 Baht	As of December 31, 2008 Baht
Retention Account Receivable	3,522,699.83	1,762,681.43
<u>Less</u> Allowance for Doubtful Accounts	(187,118.40)	(187,118.40)
Retention Account Receivable - Net	<u>3,335,581.43</u>	<u>1,575,563.03</u>

12. Credit Facility which Received from Merchant Bank

As of December 31, 2009, the Company received credit facility from merchant bank in form of bank overdrawn account, short term loan, letter of guarantee, long term loan and letter of credit in amount of Baht 101.00 million (December 31, 2008: in amount of Baht 66.00 million) while land plus property, beneficiaries from fired insurance in building, machinery and inventory are collateral.

13. Short-term Loans from Financial Institutions

As of December 31, 2008, the whole amount of short term loan from a commercial bank is derived from taking promissory note for 90 days, interest rate MLR-1.50% equivalent to 5.25% per annum and have pledged as according with note no. 12.

14. Long Term Loan from Financial Institution – Net

Consists of:

	As of December 31, 2009	As of December 31, 2008
	Baht	Baht
Long Term Loans	13,839,681.35	16,875,681.35
<u>Less</u> Current Portion of Long Term Loans	<u>(3,036,000.00)</u>	<u>(3,036,000.00)</u>
Net	<u><u>10,803,681.35</u></u>	<u><u>13,839,681.35</u></u>

As of December 31, 2009 and 2008, the whole amount is long term loan due to one merchant bank to construct and decorate the office building in the loan total credit line of Baht 20 million. It is reimbursed as installment and had been repay balance by amount of Baht 13.84 million and Baht 16.88 million, respectively. Interest is carried by the year 1st -2nd equivalent MLR-1.25% per annum and from year 3rd until debt will be completely repayable equivalent MLR per annum. The Company pledged land, building plus property existed and contingent in the future and given the beneficiary from insurance for collateral, are determined to be repayable as follow;

- For the loan credit line of Baht 15 million, the principle is determined to be repayable in 78 months by Baht 0.19 million per month. The first installment will commence to repay on January 31, 2008 and following installments are repayable on the final business day of the month.
- For the loan credit line of Baht 5 million, the principle is determined to be repayable in 78 months by Baht 0.06 million per month. The first installment will commence to repay on July 31, 2008 and following installments are repayable on the final business day of the month.

15. Liabilities under Financial Lease Agreement – Net

Consists of :

	As of December 31, 2009 <u>Baht</u>	As of December 31, 2008 <u>Baht</u>
Liabilities under financial lease agreement	3,549,352.09	4,918,327.82
<u>Less</u> Deferred interest	(324,090.05)	(318,172.19)
Net	3,225,262.04	4,600,155.63
Due for Payment of financial lease agreement as follow :		
Portion to Payment within 1 year	1,592,990.81	929,244.44
Portion to Payment after 1 year but within 4 years	1,632,271.23	3,670,911.19
Net	3,225,262.04	4,600,155.63

As of December 31, 2009 and 2008, the Company performs the contract of long term financial leased with several leasing companies so as to lease motor vehicle. The leased contracts determine leased fee repayment as monthly installment from Baht 16,703.00 per month to Baht 51,984.00 per month. The leased period is carried from 2-4 years. In addition, ownership of such motor vehicle will transfer to ownership of the Company when pays the final installment in accordance with the leased contract.

16. Management Remuneration

This management remuneration is contributed to the management of the Company and directors of the Company. It is composed of remuneration that is monetary, i.e. salaries, related fringe benefit and director's remuneration including remuneration in other form. The Company's management is the persons who are defined under the Securities and Exchange Act.

17. Corporate Income Tax

For the year ended of December 31, 2009 and 2008, the company calculated the income tax at the rate of 20% which is complied which the basis in the Act in accordance with the Decree no.387, which amended the rate of the corporate income tax expense from 30% to 20% for the five consecutive accounting periods from the initial accounting period or after the date a public company is listed on the Stock Exchange MAI (Market for Alternative Investment) (as of November 30, 2005) in accordance with the law on Securities and Stock Market. The company computed corporate income tax of accounting net profit after adding adjusted transaction in accordance with the Revenue Code which is mainly doubtful debt transaction and depreciation exceeding the rate determined in the Revenue Code.

18. Expenses by Nature

Some expenses which included in calculation of profit (loss) from operation are able to analyses by nature as follows.

	For the year end on December 31,	
	2009	2008
	Baht	Baht
Changing within Work in Process and Finish Goods	(3,879,839.43)	(1,222,630.21)
Raw Material, Finished Goods and Supplies Used	206,062,984.43	237,504,982.00
Cost of Installation	31,665,727.54	32,919,056.95
Loss From Declining in Value of Inventories	101,484.89	886,787.43
Employees Expense	27,661,799.63	28,844,071.24
Depreciation and Amortization	8,408,610.71	9,366,374.39
Doubtful Debts	1,694,344.71	3,174,490.05
Other Expenses	17,047,734.60	23,761,571.06
Total	288,762,847.08	335,234,702.91

For the years end on December 31, 2009 and 2008, employees expenses in above, including employees benefit as according with note no. 4.12. In amount of the expenses have employees expenses which been delivered to withholding tax (por.ngor.dor 1 kor) for the year 2009 in amount of million 27.16 Baht and for the year 2008 in amount of million 27.52 Baht.

19. Dividend Payment and Legal Reserve

- 19.1 In accordance with the resolution of the Board of Directors' Meeting No.5/2009 held on December 23, 2009, it was unanimously resolved to appropriated retained earnings for dividend to shareholder of Baht 0.20 per share and totaling Baht 9.99 million. Dividend payment to be made on January 22, 2010, Present, the Company has already paid the dividend to shareholder.
- 19.2 In accordance with the resolution of the Board of Directors' Meeting No.3/2009 held on August 11, 2009, it was unanimously resolved to appropriated retained earnings for dividend to shareholder of Baht 0.05 per share and totaling Baht 2.50 million. Dividend payment to be made on September 10, 2009, Present, the Company has already paid the dividend to shareholder.
- 19.3 In accordance with the resolution of the shareholders meeting no. 1/2009 held on April 21, 2009, It is unanimously resolved dividend repayment for year 2008 to shareholders in the rate of Baht 0.27 per share. The board of directors of the Company approved the interim dividend repayment in this accounting period year 2008 in total of Baht 0.15 per share. There is outstanding dividend payable in the rate of Baht 0.12 per share in total amount of Baht 6.00 million while it is determined to repay on May 14, 2009. Present, the Company has already paid the dividend to shareholder.

- 19.4 In accordance with the resolution of the Board of Directors' Meeting No.3/2008 held on August 11, 2008, it was unanimously resolved to appropriated retained earnings for dividend to shareholder of Baht 0.15 per share and totaling Baht 7.50 million. Dividend payment to be made on September 5, 2008, Moreover, the legal reserve is appropriated by amount of Baht 0.56 million. Present, the Company has already paid the dividend to shareholder.
- 19.5 In accordance with the resolution of the shareholders meeting no. 1/2008 held on April 18, 2008, It is unanimously resolved dividend repayment for year 2007 to shareholders in the rate of Baht 0.20 per share. The board of directors of the Company approved the interim dividend repayment in this accounting period year 2007 in total of Baht 0.05 per share. There is outstanding dividend payable in the rate of Baht 0.15 per share in total amount of Baht 7.50 million while it is determined to repay on May 2, 2008. Moreover, the legal reserve is appropriated by amount of Baht 0.25 million. Present, the Company has already paid the dividend to shareholder.

20. Segment Financial Information

The Company operates main business in relation to sales of construction material, production of roof sheet and service rendered of installation of roof sheets and operates in one geographical sector, i.e. Thailand. As a result, the total revenue, profit and asset which are reflected in the financial statements will be related to business sector and geographical sector in accordance with those mentioned.

21. Financial Instruments

21.1 Policy on Financial Risk Management

The company has no policy to hold or issue financial instruments for speculating or trading.

21.2 Risks on Interest Rates

Risk on interest rates is derived from fluctuation of market interest rate in the future which affect upon operation result and cash flow. The company had assets and liabilities which it may have risk on interest rate as follows:

	Amount		Annual Interest Rate	
	December 31,2009	December 31,2008	December 31,2009	December 31,2008
	<u>Million Baht</u>	<u>Million Baht</u>	<u>%</u>	<u>%</u>
Bank Deposit – Saving Accounts	1.45	12.22	0.50	0.50
Short Term Loans from Commercial Bank	10.00	8.00	4.35	5.25
Long-Term Loans from Commercial Bank	13.84	16.88	MLR ,	MLR-1.25%
			MLR-1.25%	

21.3 Foreign Currency Risk

The Company has not foreign currency risk due to the Company has not commercially all assets and liabilities in foreign currencies.

21.4 Credit Term Risk

The Company constitutes risk from credit provision in respect of trading account receivable since debtor may not be able to repay debt in accordance with the term and covenant which agreed; as a result, it may cause financial damage. However, the Company has determined policy to hedge against such risk by analysis of financial status and consideration of ability in debt repayment of each customer in the consideration of credit provision. Moreover, the Company determines that customers have to repay some portion of deposit in advance before sale. For account receivable that is anticipated of uncollectible, the Company has considered to setup allowance for doubtful debt sufficiently.

21.5 Fair Value

According to most of company's financial asset and financial liabilities are short term nature and loan from Bank have interest at market rate. The company management believes that the book value of financial asset and financial liabilities are shown no significantly different from the fair value.

22. Contingent Liabilities and Obligations

22.1 The Company constitutes commitment obligation in the warranty of product quality and installation service to the Company customers under the term that such damage has to incur directly from product material which does not include damage which incur from outside other performance that cause damage to product. The period of warranty is approximately 1 year – 20 years. However, the Company management believes that the Company does not constitute materially contingent liability from such warranty since the Company products distributors constitute warranty of product quality under the same term and covenant, carried the period of warranty of 5-30 years. Therefore, the Company will not recognize expense and contingent liability from such warranty included in these financial statements.

22.2 Apart from liability which is reflected in the financial statements on December 31, 2009 and December 31, 2008, the Company constitutes contingent liability as follows:

	As of December 31, 2009	As of December 31, 2008
	Baht	Baht
Letters of Guarantee – Banks	4,749,005.42	3,443,080.77
Letter of Credit - Credit limited Baht 25.00 million	1,054,539.08	-

22.3 The Company constitutes obligation commitment from the performance of installation contractor contract for the project of sale plus installation as of December 31, 2009, the Company constitutes the obligation commitment that has to repay installation contractor by amount of Baht 8.91 million (As of December 31, 2008, in amount of Baht 6.75

million). However, the Company constitutes the revenue from sales plus installation according to the unearned contract by amount of Baht 61.40 million (As of December 31, 2008, in amount of Baht 73.67 million).

23. Provident Fund

The Company and its employees have participated in registered AIA Munkong Provident Fund under the Provident Fund Act B.E. 2530. The fund is contributed to by both employees and the Company. This provident fund is managed by American International Insurance Public Company Limited and will be paid to the employees upon termination in accordance with the rules of the fund. For the years ended on December 31, 2009, the Company has repaid staff provident fund by amount of Baht 0.62 million (on December 31, 2008: Baht 0.59 million).

24. Other

In accordance with the minute of the board of directors meeting no. 5/2009 held on December 23, 2009, have unanimously resolved to the solution of the principle of constitutes the entity merger plan between the Company and The Solar Power Co., Ltd., which operates business regarding solar energy and construction of solar energy electric factory including production and distribution of electricity. There is plan that will constitute issuance of capital increment ordinary shares in specific type and offer to shareholders of The Solar Power Co., Ltd., in number of 350 million shares in par value of Baht 1.00 per share. The fund that received from capital increment, the Company will take to purchase shares of The Solar Power Co., Ltd., from the former shareholders. Presently, the Company and The Solar Power Co., Ltd., have appointed the financial advisor and under the stage of the entity merger plan performance.

25. Approval of the Financial Statements

These financial statements have been approved to issue by the authorized director on February 15, 2010.
