

Cooperate governance

The company holds the implementation of good corporate governance in compliance with the condition of the Stock Exchange of Thailand and the Securities and Exchange Commission. In 2007, there is the operation according to the following policy

Shareholders: right and equitable treatment

In 2007, the company has organized the general shareholders meeting on 26th April 2008 at the company office. 8 from 10 directors of the board of directors joined the meeting and 38 shareholders, which are included 22 proxies, joined the meeting at the amount of 16,999,045 shares or 82.92% increasing 2.54% when was compared to 2006.

The company has sent out the invitation letter to all the shareholders including information and documents for each agenda to be considered in advance. Those of documents are specified for information or for approval with the board of directors' opinion and suggestion. However, this invitation letter including information and documents for each agenda disclosed on the company website www.navatanee.com on 29 March 2007, and was sent to the shareholders at post on 18 April 2007, and was also advertised on the newspapers as public law stated. Besides, the minutes of the shareholders' annual general meeting has been promptly submitted to the Stock Exchange of Thailand and the Ministry of Commerce, and has been exposed on the company website since on May 10th 2007

On the meeting date, the shareholders and the proxies started to register at 09.30 hrs. in order to check the documents and give opportunities to the shareholders who would like to get more information or to ask for some advice or ask for some questions among each others. Because there were no many shareholders, the communication between the company and the shareholders has run smooth through the entire meeting process. The chairman of the board of directors is the chairman of the meeting, he conducted the meeting completely in all agendas and replied the questions as well as the shareholders satisfied through the end of the meeting. For the election of the directors' agenda, the company has prepared the ballot form for voting each director individually.

Right and equitable treatment

For an option of the shareholders, the company allowed the shareholders either send the proxies attending the meeting, or give authorization to one of the chair man of the audit committee who is the independent directors or the chairman of the board of directors. In the 2007 shareholders' meeting, 17 shareholders give proxy to the chairman of the board of directors or equivalent to 1,032,232 shares of the total attending 16,999,045 shares.

In the 2007 shareholders' annual general meeting, the company also gave opportunity to the minor shareholders to propose their requirement for the agenda and nominate the directors. However, the preparation of the 2008 shareholders' annual meeting also offers opportunity to the minor shareholders to propose their requirement for putting on the list of agenda and to nominate the directors in company with procedure, principle and how to propose it. The shareholders can suggest the requests at info@navatanee.com or facsimile or registered mail from on the 22 January to 20 February 2008, which the company has informed these following topics and details to the Stock Exchange of Thailand.

As the preventive measures in dishonestly using internal data for yourself and oneself benefits. The company has prepared the ethnic handbook for directors, management and staff which are reviewed every year before and after the 2007 financial statement through the public. Nothing founded that using the data is for any side's benefit.

Rules of Stakeholders

The company has always reviewed the policy of good corporate governance in order to look after the right for the stakeholder groups regarding to the ethnic principles and advised regulations. In 2007, the business was in good operation and the problem didn't affect to any groups since the golf course has been operated for 30 years and the management operated business according to the policy which always response the interest throughout the stakeholders, separated as follows.

- The shareholders: the company has operated according to the board of directors' policy with open & above-board management, loyal financial & accounting system, the satisfied benefit comparing to the similar businesses and good dividend paid to the shareholder for several years continually.

- The staff: the company gives priority to the safety as the some staff always work under the environment of equipments and machinery, and support the additional learns of training and career development according the their positions, for example, knowledge of the course & plant maintenance and good environment. Moreover, there are trainings of finance/accounting and the company secretary without any discrimination of religion or gender. Each position will get an appropriated prize and welfare which is salary, bonus, service charge, provident fund and social insurance etc...
- The customers: the most guest's satisfaction is to maintain the international standard of golf course and the first class course in the country. In Thailand although has presently many golf course emerged and also heavy quality and price competition. Navatanee golf course where still keep continuing the course quality, is one of the best course member in Thailand. In addition, the members and the customers are always confident and continually support Navatanee gold course.
- The Suppliers: the Company always ensures that laws and conditions for suppliers are based on industry norms and practices. No other method is above rules and Navatanee therefore operate business with no doubt and always maintaining the course image.
- The social responsibility to the community: the company has policy and aim towards the plants protection and reservation since the course was built. It therefore make Navatanee golf course and Navatanee village nearby, which is a partner, develop the area around with over ten thousand big several trees. Besides, this Navatanee characteristic made the area of Navatanee golf course and village being shady, cool and lovely from numerous standing and flowering plants, where also is hardly see a big factory of the fresh air productivity taking huge space of Navatanee and its neighborhood, where additional has the perfect environment & safety place from the chemicals for the various animals' residence and primary producer which the company prefers to use the natural fertilizers in stead of the chemical ones, that effect make the animals alive.
- The government offices and the related organizations: the company strictly follows laws, the tax and finance arrangement is included.

Information disclosure and transparency

The company has disclosed the information according to all regulations and conditions of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, i.e. the directors' approval which impacted to the shareholders, the shareholders meeting's approval, each quarter of financial statement, and all directors and management are required to report the changes of stock holding to the Office of the Securities and Exchange Commission etc...

Leadership and vision

The board of directors is composed of the directors who have vision, knowledge, competence and experience on business operation regarding independent decision, internal control, internal audit, and who follow up the operation for the company & the shareholders' benefit. The management has a duty of the business operation to achieve the policy and to report the operation result to the board of directors

Business ethnics

The company's policy is to maintain the first class Thailand golf course and to concentrate on the stakeholders about the ethnic principles and advised regulations for directors, management staff and owners' regulation (the persons who hold the company shares at high figure and may affect to the decision of the directors/ management/ staff) in order to be the responsibility direction and frame, and to review usually those mentioned regulation.

Balance of power for the board of directors

11 board of directors are combined with 4 directors who are the management, 4 directors who are not the management, and 3 independent directors, which is counterbalanced and independent in giving an opinion and an efficient performance.

Aggregation or Segregation of Positions

The chairman of the board of directors is the chairman of the executive board and the main shareholder. For the chairman of the audit committee is not concerned in the management position and is independent enough to perform according to the duty and responsibility.

Conflict of interests

In order to avoid the benefit conflict, the board of directors looks carefully after the risky occasions of benefit conflict or the audit committee, who are independent, will always investigate and manage in the relative incidents of the policy setup according the regulation of the Stock Exchange of Thailand.

Directors' remuneration

The board of directors receive the directors' remuneration for attending the meeting and the directors' pension from the shareholders' approval only, as the following detail:

Meeting allowance / directors' remuneration

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|--------------------------------|---|
| 1. Director | Meeting allowances at 10,000 Baht/meeting |
| 2. Member of audit committee | Meeting allowances at 12,000 Baht/meeting |
| 3. Chairman of audit committee | Meeting allowances at 15,000 Baht/meeting |
| 4. Chairman | Meeting allowances at 20,000 Baht/meeting |

The directors' pension

The 2007 shareholders meeting approved the directors' pensions at amount of 484,000 Baht. In 2007, the board of directors receive the remuneration and pension as follows

Board member		Meeting allowance / remuneration
1.	Dr. Sukum Navapan	188,000
2	H.E. ACM. Kamthon Sindhavananda	74,000
3.	Mr. Chalermphan Srivikorn	84,000
4.	Mr. Chackchai Panichapat	104,000
5	Mr. Nibhond Charanvas	92,000
6	Gen. Paiboon Kanchanapiboon	104,000
7	Mrs. Maevadi Navapan	94,000
7	Mr. Taweesak Jayananda	94,000
8	Ms. Prim Guna-Kasem	94,000
10	Mr. Kittidej Charusathiara	40,000
11	Mr. Chayanad Osathanugrah	84,000

**Listed as the director in April 2007 and received only the meeting remuneration.

Board of directors' self evaluation

The board of directors meeting held in December 2007, the chairman of the audit committee proposed to the meeting about the matters in compliance with the good corporate governance that some matters have been organized and some haven't been done, and the management are assigned to be done the pending matters afterwards. In addition, the development center of the corporate government for the listed company has provided the directors' self-evaluation to motivate the board of directors increasing their effective performance correspondence with the corporate government.

Board of directors' opinion

The audit committee who are the system and internal audit controller, are the approver an audit plan and appraise internal systems appropriated and corresponded with the settled objectives and directions. They are independent auditors and reported to the board of directors meeting, the 5th/2007, on 12 December 2007, that the audit result are in good operation and do not have any doubts in entire year 2007 (see more information in the annual audit committee report, page 3).

Dividend policy

The company has the policy of dividend higher and equivalent to 60% of the net profit.

Quality of audited financial statement

The company financial statement was considered and approved by the audit committee on 25 February 2008 and the financial auditors who is certified from the Securities and Exchange Commission and the Stock Exchange of Thailand is the S.K. Accountant Service Co., Ltd. by Mr. Somchai Kurujitkosol, Certified Public Accountant no. 3277 who signs for approval before spreading out to the related organizations. In 2007 the company financial statement has been undoubted, managed and revealed the appropriated and trustful financial information, and enough internal control system. The auditors signed for approval without any notices and the directors, the management or the staff didn't bring any financial information without faithfulness for their own benefit, their family and relatives or others according to their handbooks, and the internal auditors always follow it up and check it over.

The investor relations

In 2007, the company has arranged a responsible officer to basically communicate between the interested persons and the investors and also has often disclosed the diverse and important information which may have effect to the company stocks' price, to acknowledge the investors according to the requirement of the Stock Exchange of Thailand, i.e. the financial statement, the board of directors' approval and the shareholders meeting's approval etc... In 2008, in order to be practical and convenient to the shareholders, the company gives an option for information inquiries through the company website at info@navatanee.com.