

JASMINE INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

AS AT 31 DECEMBER 2002 AND 2001

(Unit : Baht)

	Note	Consolidated		The Company Only	
		2002	2001	2002	2001
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		1,262,464,529	1,928,994,726	49,288,588	78,650,261
Current investments - deposits with financial institutions	5	680,624,103	686,564,617	3,706,369	24,996,736
Investment in available-for-sale security		10,270,000	10,260,000	-	-
Accounts receivable - trade					
Related parties	7	88,810,385	117,428,671	72,718,744	82,475,031
Others		943,135,128	745,088,518	116,336,850	14,338,316
Total accounts receivable - trade		1,031,945,513	862,517,189	189,055,594	96,813,347
Less : Allowance for doubtful accounts		(91,930,566)	(95,414,354)	(72,215,844)	(74,033,863)
Total accounts receivable - trade, net	6	940,014,947	767,102,835	116,839,750	22,779,484
Short-term loans and advances to related parties	7	8,448	10,733,692	1,868,744,242	1,749,371,775
Inventories - net	8	177,300,939	241,522,014	2,215	3,367,928
Other current assets					
Dividend receivable		-	-	-	30,000,000
Prepaid project costs		134,792,567	122,461,981	96,321,936	112,289,919
Unbilled receivable		192,737,298	115,940,732	8,506,408	58,684,237
Accounts receivable - others, net		406,453	88,356,388	56	1,996,640
Others		345,195,290	275,698,376	64,137,290	57,183,691
Total other current assets		673,131,608	602,457,477	168,965,690	260,154,487
TOTAL CURRENT ASSETS		3,743,814,574	4,247,635,361	2,207,546,854	2,139,320,671
NON-CURRENT ASSETS					
Deposit with financial institutions	9	924,476,165	812,691,875	47,507,618	7,447,450
Investments accounted for under equity method	10	4,520,651,405	4,387,255,264	8,667,608,455	8,186,628,035
Investments in other companies	11	227,689,378	960,217,111	15,798,177	25,332,374
Property, plant and equipment - Net	12	2,778,977,580	3,566,931,719	409,942,420	441,357,658
Other non-current assets					
Advance for investment projects - net	13	33,163,249	33,163,249	33,163,249	33,163,249
Advance payments for service	14	-	308,743,658	-	-
Deferred project cost - net	15	3,286,301,130	3,710,282,954	-	-
Excess of cost of investments over net book value of the subsidiary companies - net		92,083,656	68,444,192	-	-
Others		29,181,431	15,154,339	4,729,239	4,911,088
Total other non-current assets		3,440,729,466	4,135,788,392	37,892,488	38,074,337
TOTAL NON-CURRENT ASSETS		11,892,523,994	13,862,884,361	9,178,749,158	8,698,839,854
TOTAL ASSETS		15,636,338,568	18,110,519,722	11,386,296,012	10,838,160,525

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

JASMINE INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (Continued)

AS AT 31 DECEMBER 2002 AND 2001

(Unit : Baht)

	Note	Consolidated		The Company Only	
		2002	2001	2002	2001
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and loans from financial institutions	16	209,971,615	125,720,420	101,186,814	45,706,295
Accounts payable - trade					
Related parties	7	134,067,405	41,581,508	3,154,164	24,688,079
Others		547,148,866	427,701,438	29,665,261	23,085,984
Total accounts payable - trade		681,216,271	469,282,946	32,819,425	47,774,063
Current portion of long-term liabilities	17,27	4,624,415,749	4,390,243,026	2,143,943,087	1,285,889,950
Current portion of long-term lease payable from related party	7	-	56,276,726	-	56,276,726
Short-term loans and advances from related parties	7	16,916,855	26,702,944	311,080,722	313,359,193
Other current liabilities					
Advances received from customers		318,066,814	152,503,746	82,886,254	93,175,757
Corporate income tax payable		56,987,432	51,852,542	-	-
Accrued project costs		49,556,706	45,848,073	7,852,338	1,517,183
Accrued penalty from cancelled currency swap agreement	17	232,897,901	-	30,095,534	-
Accrued expenses		586,050,941	400,288,224	318,551,430	104,881,419
Others		159,628,135	188,826,784	34,360,447	21,113,319
Total other current liabilities		1,403,187,929	839,319,369	473,746,003	220,687,678
TOTAL CURRENT LIABILITIES		6,935,708,419	5,907,545,431	3,062,776,051	1,969,693,905
NON-CURRENT LIABILITIES					
Provision for loss on the excess of investments accounted for under equity method	10	-	-	3,407,861,026	1,848,454,842
Long-term loan from related party	7	-	-	769,234,554	552,851,078
Long-term liabilities - net of current portion	17,27	9,179,263,876	11,076,380,125	4,756,906,688	5,510,701,695
Other non-current liabilities		13,832,524	24,856,149	9,514,485	9,514,485
TOTAL NON-CURRENT LIABILITIES		9,193,096,400	11,101,236,274	8,943,516,753	7,921,522,100
TOTAL LIABILITIES		16,128,804,819	17,008,781,705	12,006,292,804	9,891,216,005

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

JASMINE INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (Continued)

AS AT 31 DECEMBER 2002 AND 2001

(Unit : Baht)

	Note	Consolidated		The Company Only	
		2002	2001	2002	2001
SHAREHOLDERS' EQUITY					
Share capital					
Registered					
1,267,200,000 ordinary shares of Baht 10 each		12,672,000,000	12,672,000,000	12,672,000,000	12,672,000,000
Issued and fully paid					
474,551,428 ordinary shares of Baht 10 each					
(2001 : 474,536,428 ordinary shares of Baht 10 each)		4,745,514,280	4,745,364,280	4,745,514,280	4,745,364,280
Warrants	18	25,735,874	25,737,374	25,735,874	25,737,374
Premium on common stocks		3,838,693,381	3,838,766,880	3,838,693,381	3,838,766,880
Company's shares held by a subsidiary	19	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)
Capital surplus from share premium of a subsidiary company		332,369,133	332,369,133	332,369,133	332,369,133
Translation adjustments		(1,974,312)	(3,196,675)	(1,974,312)	(3,196,675)
Unrealised gain (loss) on change in value of the investments in available-for-sale securities		37,538,674	(12,491,239)	37,538,674	(12,491,239)
Retained earnings					
Appropriated - statutory reserve	20	318,356,542	318,356,542	145,877,618	145,877,618
Unappropriated (deficit)		(9,316,230,364)	(7,697,961,775)	(9,143,751,440)	(7,525,482,851)
Equity attributable to company's shareholders (capital deficit)		(619,996,792)	946,944,520	(619,996,792)	946,944,520
Minority interest - equity attributable to minority shareholders of subsidiaries		127,530,541	154,793,497	-	-
TOTAL SHAREHOLDERS' EQUITY (CAPITAL DEFICIT)		(492,466,251)	1,101,738,017	(619,996,792)	946,944,520
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		15,636,338,568	18,110,519,722	11,386,296,012	10,838,160,525
		(0)	0	0	0

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

 DIRECTORS

JASMINE INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

EARNINGS STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2002 AND 2001

(Unit : Baht)

	Note	Consolidated		The Company Only	
		2002	2001	2002	2001
REVENUES					
Sales and service income		4,672,301,816	4,176,778,885	97,019,387	19,060,269
Other income					
Management income		-	18,209,084	284,420,000	265,980,000
Interest income		35,676,122	115,690,974	75,936,910	174,144,434
Exchange gains		-	256,110,469	-	325,479,430
Share of profit from investments accounted for under equity method		135,264,161	-	-	526,849,185
Surplus arising from subsidiaries' investment in debt securities	21	1,593,199,934	-	-	-
Penalty receipts due to late payment-net	22	-	527,893,441	-	-
Others		92,755,085	89,462,100	22,237,001	33,645,942
Total other income		1,856,895,302	1,007,366,068	382,593,911	1,326,098,991
TOTAL REVENUES		6,529,197,118	5,184,144,953	479,613,298	1,345,159,260
EXPENSES					
Cost of sales and service		2,689,899,028	2,229,660,632	87,757,812	11,105,781
Selling, servicing and administrative expenses		594,046,363	608,418,724	131,799,891	163,604,062
Loss from translation of foreign currency loans and penalty due to cancellation of currency swap agreement	17	2,107,989,127	-	272,398,583	-
Exchange losses		71,763,233	-	168,496,042	-
Directors' remuneration	23	7,096,500	7,513,000	5,190,000	5,760,000
Provision for loss on impairment of assets	24	1,350,342,946	2,000,000	-	-
Allowance for doubtful debts		64,173,319	27,301,026	-	-
Share of loss from investments accounted for under equity method		-	92,312,571	1,058,321,223	-
TOTAL EXPENSES		6,885,310,516	2,967,205,953	1,723,963,551	180,469,843
EARNINGS (LOSS) BEFORE INTEREST EXPENSES AND INCOME TAX					
		(356,113,398)	2,216,939,000	(1,244,350,253)	1,164,689,417
INTEREST EXPENSES		(1,118,264,975)	(1,358,402,138)	(373,918,336)	(468,275,091)
CORPORATE INCOME TAX	25	(142,572,260)	(146,469,304)	-	-
WITHHOLDING TAX WRITE-OFF		(30,765,543)	(35,239,283)	-	(19,646,895)
EARNINGS (LOSS) BEFORE MINORITY INTEREST		(1,647,716,176)	676,828,275	(1,618,268,589)	676,767,431
MINORITY INTEREST		29,447,587	(60,844)	-	-
NET EARNING (LOSS) FOR THE YEAR		(1,618,268,589)	676,767,431	(1,618,268,589)	676,767,431
Weighted average number of ordinary shares					
		414,548,387 shares	395,499,947 shares	414,548,387 shares	395,499,947 shares
BASIC EARNINGS PER SHARE					
Earnings (loss) per share	26	(3.90)	1.71	(3.90)	1.71
Diluted earnings (loss) per share		(3.90)	1.63	(3.90)	1.63

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

JASMINE INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED 31 DECEMBER 2002 AND 2001

(Unit : Baht)

	Consolidated		The Company Only	
	2002	2001	2002	2001
Cash flows from (used in) operating activities :				
Net earnings (loss)	(1,618,268,589)	676,767,431	(1,618,268,589)	676,767,431
Adjustments to reconcile net earnings (loss) to net cash provided by (used in) operating activities :				
Profit (loss) attributed to minority interest	(29,447,587)	60,844	-	-
Share of (profit) loss from investments accounted for under equity method	(135,264,161)	92,312,571	1,058,321,223	(526,849,185)
Surplus arising from subsidiaries' investment in debt securities	(1,593,199,934)	-	-	-
Loss from sale of investment in associated companies	-	5,856,071	21,748,875	786,083
Gain on transfer of shares to settle debt	(6,894,829)	-	-	-
Loss from translation of foreign currency loans and penalty due to cancellation of currency swap agreement	2,107,989,127	-	272,398,583	-
Unrealised exchange (gain) loss	57,544,921	(142,746,406)	169,139,000	(306,821,779)
Provision for damaged or obsolete inventories	37,561,500	37,217,998	-	31,318,865
Provision for loss on impairment of assets	1,350,342,946	2,000,000	-	-
Withholding tax write-off	30,765,543	35,239,283	-	19,646,895
Allowance for doubtful debt	64,173,319	27,301,026	-	-
Gain on disposal of property, plant and equipment	(1,360,418)	(1,486,073)	(1,019,314)	(280,034)
Depreciation and amortisation	1,054,480,626	1,055,936,765	25,692,100	33,455,318
Penalty receipts due to late payment - net	-	(527,893,441)	-	-
Penalty for default of computer installment service contract	49,056,552	-	-	-
	<u>1,367,479,016</u>	<u>1,260,566,069</u>	<u>(71,988,122)</u>	<u>(71,976,406)</u>
(Increase) decrease in operating assets				
Accounts receivable - trade	(229,411,016)	189,324,155	(94,060,266)	49,005,250
Advances to related parties	3,050,829	(58,920,310)	(216,072,533)	(136,200,055)
Inventories	9,355,496	16,724,981	3,365,713	166,113
Prepaid project costs	(12,330,586)	(107,140,171)	15,967,983	(109,087,008)
Unbilled receivable	(76,796,566)	260,267,781	50,177,829	-
Accounts receivable - others	87,949,935	28,993,164	1,996,584	11,789
Other current assets	(103,370,789)	(30,999,727)	(6,953,599)	(6,528,337)
Other non-current assets	(14,027,092)	(2,759,146)	181,849	(19,637,895)
Increase (decrease) in operating liabilities				
Accounts payable - trade	208,832,592	(415,035,429)	(18,055,370)	(5,219,124)
Advances received from related parties	(9,786,089)	7,025,508	69,450,626	(44,728,841)
Advances received from customers	187,711,903	111,776,012	(10,289,503)	91,274,579
Corporate income tax payable	5,134,890	(32,272,880)	-	-
Accrued project costs	3,708,633	(5,562,645)	6,335,155	(958,259)
Accrued expenses	266,977,452	83,467,601	213,670,011	64,472,163
Other current liabilities	(9,733,708)	(139,717,477)	9,067,467	(30,220,557)
Other non-current liabilities	(11,023,625)	2,728,144	-	(1,581,465)
Net cash provided by (use in) operating activities	<u>1,673,721,275</u>	<u>1,168,465,630</u>	<u>(47,206,176)</u>	<u>(221,208,053)</u>

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

JASMINE INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE YEARS ENDED 31 DECEMBER 2002 AND 2001

(Unit : Baht)

	Consolidated		The Company Only	
	2002	2001	2002	2001
Cash flows from (used in) investing activities :				
(Increase) decrease in current investments	(9,547,041)	441,940,284	21,290,367	(24,996,736)
Increase in short-term loans to related parties	-	-	(9,774,138)	(213,308,399)
Increase in investments accounted for under equity method	-	(8,000,000)	(100,000)	(81,381,600)
Increase in other investments	-	(12,992,808)	-	-
Decrease (increase) in long-term deposits with financial institutions	(126,209,476)	(83,322,102)	(40,060,168)	2,555,550
Dividend received	-	-	30,000,000	473,734,047
Proceeds from disposal of fixed assets	12,981,582	4,111,560	7,714,323	741,545
Purchases of property, plant and equipment	(193,633,184)	(115,630,793)	(971,871)	(1,412,875)
Decrease in advance for investment projects	-	731,039	-	731,039
Increase in deferred project costs	(2,534,186)	(11,519,789)	-	-
Net cash provided by (used in) investing activities	<u>(318,942,305)</u>	<u>215,317,391</u>	<u>8,098,513</u>	<u>156,662,571</u>
Cash flows from (used in) financing activities :				
Increase (decrease) in bank overdrafts and loans from financial institutions	84,251,195	(99,986,314)	55,480,519	-
Increase in short-term loans from related parties	-	-	66,104,039	140,108,278
Decrease in long-term lease payable from related party	(56,276,726)	(135,064,152)	(56,276,726)	(135,064,152)
Decrease in long-term loans from related party	-	-	(21,618,554)	(45,454,242)
Decrease in long-term liabilities	(2,050,581,000)	(1,350,921,668)	(34,018,289)	(308,772,009)
Cash received from warrant exercise	75,001	134,696,499	75,001	134,696,499
Cash received from shares' subsidiary company issued	-	1,118,400	-	-
Net cash provided by (used in) financing activities	<u>(2,022,531,530)</u>	<u>(1,450,157,235)</u>	<u>9,745,990</u>	<u>(214,485,626)</u>
Increase (decrease) in translation adjustment	1,222,363	(890,706)	-	-
Net decrease in cash and cash equivalents	<u>(666,530,197)</u>	<u>(67,264,920)</u>	<u>(29,361,673)</u>	<u>(279,031,108)</u>
Cash and cash equivalents at beginning of year	1,928,994,726	1,996,259,646	78,650,261	357,681,369
Cash and cash equivalents at end of year	<u>1,262,464,529</u>	<u>1,928,994,726</u>	<u>49,288,588</u>	<u>78,650,261</u>

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

JASMINE INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE YEARS ENDED 31 DECEMBER 2002 AND 2001

(Unit : Baht)

	Consolidated		The Company Only	
	2002	2001	2002	2001
Supplemental cash flows information :				
Cash paid during the year for :				
Corporate income tax	173,533,383	248,325,015	6,425,035	23,831,864
Interest expenses	842,815,735	1,286,871,074	62,770,431	286,635,587

Supplemental disclosure on non-cash flows from operating and investing activities :-

During August 2002, the Company repaid its debts, amounting to approximately Baht 59 million, outstanding to a subsidiary company in the form of 19.5 million ordinary shares of TT&T Public Company Limited.

During December 2002, a subsidiary company agreed to pay to TT&T Public Company Limited a deposit, damages and the disputed portion of cash received under a contract in relation to delivery in accordance with a contract to install a computer system for 1.5 million telephone line project, amounting to approximately Baht 87.6 million, in the form of 18 million ordinary shares of TT&T Public Company Limited.

and its subsidiaries through the issue of 760 million of its ordinary shares (the Company only : 129 million ordinary shares). Furthermore, the subsidiaries repaid debts of approximately Baht 243 million to trade creditors with 49 million of the ordinary shares of that related company, and received repayment of debt amounting to approximately Baht 227 million from trade receivables in the form of 45 million ordinary shares of that related company. In addition, two subsidiaries also repaid debts of approximately Baht 1,850 million to the Company using 466 million ordinary shares of that related company and one subsidiary paid a dividend of approximately Baht 37.7 million using 13 million ordinary shares of that related company.

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