

Jasmine Telecom Systems Public Company Limited
and its subsidiary
Report and consolidated interim financial statements
For the three-month and nine-month periods ended
30 September 2009 and 2008

Review report of Independent Auditor

To the Shareholders of Jasmine Telecom Systems Public Company Limited

I have reviewed the accompanying consolidated balance sheet of Jasmine Telecom Systems Public Company Limited and its subsidiary as at 30 September 2009, the related consolidated statements of income for the three-month and nine-month periods ended 30 September 2009 and 2008, and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month periods ended 30 September 2009 and 2008, and the separate financial statements of Jasmine Telecom Systems Public Company Limited for the same periods. These financial statements are the responsibility of the management of the Company and its subsidiary as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews.

Except for the matters discussed in paragraph A), I conducted my reviews in accordance with the auditing standard applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

- A) As described in Note 2 to the financial statements, as at 30 September 2009, the Company and its subsidiary had outstanding balances receivable from a related company amounting to approximately Baht 630 million. The balances are recorded under the captions of "Trade accounts and notes receivable - related parties", "Amounts due from related parties", and "Unbilled receivable from related parties" in the consolidated balance sheet (approximately Baht 229 million in the separate balance sheet). Most of the balances are long outstanding. In considering the collectability of the outstanding balances, the management of the Company and its subsidiary received cash flow projections, which had been prepared by the related company. They show that the related company will have sufficient future cash flows to make full payment. On

22 April 2008, the related company filed a petition for business rehabilitation with the Central Bankruptcy Court and the Court accepted the petition. Subsequently, on 2 June 2009, the creditors passed the resolution to select the rehabilitation planner for the related company and on 22 July 2009, the Central Bankruptcy Court ordered an appointment of the rehabilitation planner. However, the rehabilitation plan is still required to be approved by the creditors and the Court. The adequacy of the allowance for doubtful accounts for the outstanding balances is dependent upon the rehabilitation, and the management of the Company and its subsidiary cannot determine the appropriate amount at this stage. I was unable to review and audit to satisfy myself as to the adequacy of the allowance for doubtful accounts, and this constitutes a limitation imposed by circumstance.

- B) As described in Note 12 to the financial statements, the Company has disclosed its financial information by business segment in accordance with Accounting Standard No. 14 "Segment Reporting", except for its operating results, which the Company is unable to disclose by business segment for the reasons described in that note.

Based on my reviews, except for any adjustments that might be required to the financial statements for the three-month and nine-month periods ended 30 September 2009 as a result of the matters discussed in paragraph A) and non-disclosure of information relating to the operating results by business segment in the financial statements for the three-month and nine-month periods ended 30 September 2009 and 2008 as described in paragraph B), nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated financial statements of Jasmine Telecom Systems Public Company Limited and its subsidiary, and the separate financial statements of Jasmine Telecom Systems Public Company Limited for the year ended 31 December 2008, in accordance with generally accepted auditing standards and expressed a qualified opinion on those statements with respect to a limitation imposed by circumstance that made me unable to audit to satisfy myself as to the adequacy of the allowance for doubtful accounts for the outstanding receivable balances from a related company, and the Company's being unable to disclose information relating to the results of its operations by business segment, under my report dated 23 February 2009. The consolidated and separate balance sheets as at 31 December 2008, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report.

Supachai Phanyawattano
Certified Public Accountant (Thailand) No. 3930

Ernst & Young Office Limited
Bangkok: 11 November 2009

Jasmine Telecom Systems Public Company Limited and its subsidiary

Balance sheets

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | | |
|--|--|-----------------------------|--------------------------------------|-----------------------------|-------------------------|
| | <u>Note</u> | <u>30 September 2009</u> | <u>31 December 2008</u> | <u>30 September 2009</u> | <u>31 December 2008</u> |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | | 131,103 | 205,903 | 104,599 | 163,364 |
| Current investments - restricted bank deposits | | 2,245 | 1,120 | 358 | 358 |
| Trade accounts and notes receivable | | | | | |
| Related parties | 2, 3 | 1,401,420 | 1,242,255 | 978,268 | 1,014,501 |
| Unrelated parties | 3 | 421,947 | 415,508 | 419,075 | 409,813 |
| Total trade accounts and notes receivable | | 1,823,367 | 1,657,763 | 1,397,343 | 1,424,314 |
| Amounts due from related parties | 2 | 17,462 | 17,183 | 17,462 | 17,183 |
| Inventories - net | | 175,103 | 94,146 | 175,083 | 94,094 |
| Other current assets | | | | | |
| Prepaid project cost | | 281,568 | 316,957 | 280,826 | 265,435 |
| Unbilled receivable from related parties | 2 | 74,184 | 176,626 | 65,112 | 64,863 |
| Unbilled receivable from unrelated parties | | 334,980 | 23,963 | 318,552 | 11,079 |
| Others | | 402,461 | 229,501 | 317,263 | 145,116 |
| Total other current assets | | 1,093,193 | 747,047 | 981,753 | 486,493 |
| Total current assets | | 3,242,473 | 2,723,162 | 2,676,598 | 2,185,806 |
| Non-current assets | | | | | |
| Restricted bank deposits | | 70,163 | 66,105 | 66,971 | 56,056 |
| Long-term trade accounts and notes receivable from related parties | 2 | 751,258 | 22,115 | 751,258 | 22,115 |
| Investment in subsidiary | 4 | - | - | 83,899 | 83,899 |
| Long-term investments in available-for-sale securities | 5 | 8,491 | 4,425 | 4,490 | 2,340 |
| Property, plant and equipment - net | 6 | 354,782 | 432,302 | 349,709 | 426,942 |
| Deposits | | 4,724 | 5,203 | 3,157 | 3,521 |
| Total non-current assets | | 1,189,418 | 530,150 | 1,259,484 | 594,873 |
| Total assets | | 4,431,891 | 3,253,312 | 3,936,082 | 2,780,679 |

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

Jasmine Telecom Systems Public Company Limited and its subsidiary

Balance sheets (continued)

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | | |
|--|--|-----------------------------|--------------------------------------|-----------------------------|-------------------------|
| | <u>Note</u> | <u>30 September 2009</u> | <u>31 December 2008</u> | <u>30 September 2009</u> | <u>31 December 2008</u> |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Bank overdrafts and short-term bank loans | | 511,755 | 293,985 | 222,078 | - |
| Trust receipts | | 169,962 | 136,556 | 169,962 | 136,556 |
| Trade accounts and notes payable | | | | | |
| Related parties | 2 | 17,706 | 134 | 17,706 | 134 |
| Unrelated parties | 7 | 597,599 | 780,531 | 577,016 | 758,497 |
| Total trade accounts and notes payable | | 615,305 | 780,665 | 594,722 | 758,631 |
| Current portion of long-term loans | 8 | 53,254 | - | 53,254 | - |
| Amounts due to related parties | 2 | 11,317 | 8,283 | 923 | 1,203 |
| Other current liabilities | | | | | |
| Accrued project cost | | 330,648 | 242,473 | 164,099 | 80,134 |
| Advance received from related parties | 2 | 579 | 3,735 | 579 | 1,199 |
| Advance received from unrelated parties | | 236,042 | 114,517 | 236,042 | 114,517 |
| Others | | 40,541 | 22,022 | 29,331 | 17,455 |
| Total other current liabilities | | 607,810 | 382,747 | 430,051 | 213,305 |
| Total current liabilities | | 1,969,403 | 1,602,236 | 1,470,990 | 1,109,695 |
| Non-current liabilities | | | | | |
| Long-term trade accounts and notes payable - unrelated parties | 7 | 592,004 | - | 592,004 | - |
| Long-term loans - net of current portion | 8 | 149,619 | - | 149,619 | - |
| Total non-current liabilities | | 741,623 | - | 741,623 | - |
| Total liabilities | | 2,711,026 | 1,602,236 | 2,212,613 | 1,109,695 |

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

Jasmine Telecom Systems Public Company Limited and its subsidiary

Balance sheets (continued)

(Unit: Thousand Baht)

| Note | Consolidated financial statements | | Separate financial statements | | |
|---|---|------------------|-------------------------------|------------------|------------------|
| | 30 September 2009 | 31 December 2008 | 30 September 2009 | 31 December 2008 | |
| | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) | |
| Shareholders' equity | | | | | |
| Share capital | | | | | |
| Registered | | | | | |
| | 726,250,000 ordinary shares of Baht 1 each | 726,250 | 726,250 | 726,250 | 726,250 |
| Issued and fully paid-up | | | | | |
| | 702,950,000 ordinary shares of Baht 1 each | 702,950 | 702,950 | 702,950 | 702,950 |
| | Share premium | 418,812 | 418,812 | 418,812 | 418,812 |
| Unrealised gain (loss) | | | | | |
| Difference between the purchase price of investment in subsidiary under common control and its net book value | | | | | |
| | | 8,158 | 8,158 | - | - |
| Unrealised loss on changes in value of investments in available-for-sale securities | | | | | |
| | | (4,284) | (8,309) | (2,214) | (4,364) |
| Retained earnings | | | | | |
| | Appropriated - statutory reserve | 56,685 | 56,685 | 56,685 | 56,685 |
| | Unappropriated | 536,812 | 471,417 | 547,236 | 496,901 |
| | Equity attributable to the Company's shareholders | 1,719,133 | 1,649,713 | 1,723,469 | 1,670,984 |
| Minority interest- equity attributable to minority shareholders of subsidiary | | | | | |
| | | 1,732 | 1,363 | - | - |
| | Total shareholders' equity | 1,720,865 | 1,651,076 | 1,723,469 | 1,670,984 |
| | Total liabilities and shareholders' equity | 4,431,891 | 3,253,312 | 3,936,082 | 2,780,679 |
| | | - | - | - | - |

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

Directors

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary**Income statements****For the three-month periods ended 30 September 2009 and 2008**

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | | |
|--|--|----------------|--------------------------------------|----------------|----------------|
| | <u>Note</u> | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> |
| Revenues | | | | | |
| Sales and service income | | 566,786 | 357,664 | 500,282 | 331,934 |
| Exchange gains | | 2,448 | 3,157 | 2,186 | 3,038 |
| Other income | | 15,972 | 6,316 | 16,095 | 5,819 |
| Total revenues | | <u>585,206</u> | <u>367,137</u> | <u>518,563</u> | <u>340,791</u> |
| Expenses | | | | | |
| Cost of sales and services | | 498,847 | 320,868 | 450,043 | 301,664 |
| Selling and servicing expenses | | 9,236 | 6,561 | 7,703 | 5,455 |
| Administrative expenses | | 16,834 | 27,644 | 24,094 | 22,674 |
| Management's remuneration | | 8,275 | 7,703 | 5,576 | 4,415 |
| Total expenses | | <u>533,192</u> | <u>362,776</u> | <u>487,416</u> | <u>334,208</u> |
| Income before finance cost and corporate income tax | | 52,014 | 4,361 | 31,147 | 6,583 |
| Finance cost | | (20,875) | (10,003) | (16,442) | (4,517) |
| Income (loss) before corporate income tax | | 31,139 | (5,642) | 14,705 | 2,066 |
| Corporate income tax | | (3,624) | (740) | (3,624) | (740) |
| Net income (loss) for the period | | <u>27,515</u> | <u>(6,382)</u> | <u>11,081</u> | <u>1,326</u> |
| Net income (loss) attributable to: | | | | | |
| Equity holders of the parent | | 27,165 | (6,217) | 11,081 | 1,326 |
| Minority interests of the subsidiary | | 350 | (165) | | |
| | | <u>27,515</u> | <u>(6,382)</u> | | |

(Unit: Baht)

Earnings (loss) per share

11

Basic earnings (loss) per share

Net income (loss) attributable to equity holders

of the parent

0.0386(0.0088)0.01580.0019

Weighted average number of ordinary shares (shares)

702,950,000702,950,000702,950,000702,950,000

Diluted earnings (loss) per share

Net income (loss) attributable to equity holders

of the parent

0.0386(0.0088)0.01580.0019

Weighted average number of ordinary shares (shares)

702,950,000702,950,000702,950,000702,950,000

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary**Income statements****For the nine-month periods ended 30 September 2009 and 2008**

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | | |
|---|--|------------------|--------------------------------------|------------------|-----------------|
| | <u>Note</u> | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> |
| Revenues | | | | | |
| Sales and service income | | 2,366,278 | 989,753 | 2,184,794 | 893,026 |
| Exchange gains | | 3,293 | 13,746 | 4,343 | 4,769 |
| Other income | | <u>38,985</u> | <u>20,189</u> | <u>38,650</u> | <u>18,325</u> |
| Total revenues | | <u>2,408,556</u> | <u>1,023,688</u> | <u>2,227,787</u> | <u>916,120</u> |
| Expenses | | | | | |
| Cost of sales and services | | 2,159,890 | 850,055 | 2,018,413 | 776,955 |
| Selling and servicing expenses | | 22,454 | 24,334 | 18,630 | 20,577 |
| Administrative expenses | | 72,808 | 84,438 | 74,667 | 67,178 |
| Management's remuneration | | 20,076 | 25,219 | 11,979 | 15,893 |
| Loss on impairment of investment in available-for-sale securities | 5 | <u>-</u> | <u>36,594</u> | <u>-</u> | <u>23,968</u> |
| Total expenses | | <u>2,275,228</u> | <u>1,020,640</u> | <u>2,123,689</u> | <u>904,571</u> |
| Income (loss) before finance cost and corporate income tax | | | | | |
| | | 133,328 | 3,048 | 104,098 | 11,549 |
| Finance cost | | <u>(50,963)</u> | <u>(26,102)</u> | <u>(37,121)</u> | <u>(10,536)</u> |
| Income (loss) before corporate income tax | | <u>82,365</u> | <u>(23,054)</u> | <u>66,977</u> | <u>1,013</u> |
| Corporate income tax | | <u>(16,642)</u> | <u>(6,856)</u> | <u>(16,642)</u> | <u>(6,856)</u> |
| Net income (loss) for the period | | <u>65,723</u> | <u>(29,910)</u> | <u>50,335</u> | <u>(5,843)</u> |
| Net income (loss) attributable to: | | | | | |
| Equity holders of the parent | | 65,395 | (29,257) | <u>50,335</u> | <u>(5,843)</u> |
| Minority interests of the subsidiary | | <u>328</u> | <u>(653)</u> | | |
| | | <u>65,723</u> | <u>(29,910)</u> | | |

(Unit: Baht)

Earnings (loss) per share

11

Basic earnings (loss) per share

Net income (loss) attributable to equity holders

of the parent

0.0930(0.0416)0.0716(0.0083)

Weighted average number of ordinary shares (shares)

702,950,000702,513,139702,950,000702,513,139

Diluted earnings (loss) per share

Net income (loss) attributable to equity holders

of the parent

0.0930(0.0416)0.0716(0.0083)

Weighted average number of ordinary shares (shares)

702,950,000702,513,139702,950,000702,513,139

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Statements of changes in shareholders' equity

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

| Consolidated financial statements | | | | | | | | |
|---|----------------|--|--|-------------------|----------------|---|--------------|------------------|
| Issued and fully paid-up share capital | Share premium | Difference between the purchase price of investment in subsidiary under common control and its net book value | Unrealised gain (loss) on changes in value of investments in available-for-sale securities | Retained earnings | | Minority interest - equity attributable to minority shareholders of subsidiary | Total | |
| | | | | Appropriated | Unappropriated | | | |
| Balance as at 31 December 2007 (Audited) | 702,000 | 418,812 | 8,158 | (38,215) | 55,542 | 667,108 | 1,503 | 1,814,908 |
| Expense recognised directly in equity: | | | | | | | | |
| Investment in available-for-sale securities | | | | | | | | |
| Transferred to income statements (Note 5) | - | - | - | 38,215 | - | - | 428 | 38,643 |
| Loss recognised in shareholders' equity | - | - | - | (4,994) | - | - | (49) | (5,043) |
| Net expenses recognised directly in equity | - | - | - | 33,221 | - | - | 379 | 33,600 |
| Net loss for the period | - | - | - | - | - | (29,257) | (653) | (29,910) |
| Total expenses for the period | - | - | - | 33,221 | - | (29,257) | (274) | 3,690 |
| Dividend paid (Note 13) | - | - | - | - | - | (201,663) | - | (201,663) |
| Share capital issued | 950 | - | - | - | - | - | - | 950 |
| Balance as at 30 September 2008 | <u>702,950</u> | <u>418,812</u> | <u>8,158</u> | <u>(4,994)</u> | <u>55,542</u> | <u>436,188</u> | <u>1,229</u> | <u>1,617,885</u> |

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Statements of changes in shareholders' equity (continued)

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

| Consolidated financial statements | | | | | | | | |
|---|----------------|--|--|-------------------|----------------|---|--------------|------------------|
| Issued and fully paid-up share capital | Share premium | Difference between the purchase price of investment in subsidiary under common control and its net book value | Unrealised gain (loss) on changes in value of investments in available-for-sale securities | Retained earnings | | Minority interest - equity attributable to minority shareholders of subsidiary | Total | |
| | | | | Appropriated | Unappropriated | | | |
| Balance as at 31 December 2008 (Audited) | 702,950 | 418,812 | 8,158 | (8,309) | 56,685 | 471,417 | 1,363 | 1,651,076 |
| Income recognised directly in equity: | | | | | | | | |
| Investment in available-for-sale securities | | | | | | | | |
| Gain recognised in shareholders' equity | - | - | - | 4,025 | - | - | 41 | 4,066 |
| Net income recognised directly in equity | - | - | - | 4,025 | - | - | 41 | 4,066 |
| Net income for the period | - | - | - | - | - | 65,395 | 328 | 65,723 |
| Total income for the period | - | - | - | 4,025 | - | 65,395 | 369 | 69,789 |
| Balance as at 30 September 2009 | <u>702,950</u> | <u>418,812</u> | <u>8,158</u> | <u>(4,284)</u> | <u>56,685</u> | <u>536,812</u> | <u>1,732</u> | <u>1,720,865</u> |

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Statements of changes in shareholders' equity (continued)

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

Separate financial statements

| | Issued and fully paid-up share capital | Share premium | Unrealised gain (loss) on changes in value of investments in available-for-sale securities | Retained earnings | | Total |
|---|--|----------------|--|-------------------|----------------|------------------|
| | | | | Appropriated | Unappropriated | |
| Balance as at 31 December 2007 (Audited) | 702,000 | 418,812 | (24,980) | 55,542 | 676,839 | 1,828,213 |
| Expense recognised directly in equity: | | | | | | |
| Investment in available-for-sale securities | | | | | | |
| Transferred to income statements (Note 5) | - | - | 24,980 | - | - | 24,980 |
| Loss recognised in shareholders' equity | - | - | (2,593) | - | - | (2,593) |
| Net expenses recognised directly in equity | - | - | 22,387 | - | - | 22,387 |
| Net loss for the period | - | - | - | - | (5,843) | (5,843) |
| Total expenses for the period | - | - | 22,387 | - | (5,843) | 16,544 |
| Dividend paid (Note 13) | - | - | - | - | (201,663) | (201,663) |
| Share capital issued | 950 | - | - | - | - | 950 |
| Balance as at 30 September 2008 | <u>702,950</u> | <u>418,812</u> | <u>(2,593)</u> | <u>55,542</u> | <u>469,333</u> | <u>1,644,044</u> |

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Statements of changes in shareholders' equity (continued)

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

Separate financial statements

| | Issued and fully paid-up share capital | Share premium | Unrealised gain (loss) on changes in value of investments in available-for-sale securities | Retained earnings | | Total |
|---|--|----------------|--|-------------------|----------------|------------------|
| | | | | Appropriated | Unappropriated | |
| Balance as at 31 December 2008 (Audited) | 702,950 | 418,812 | (4,364) | 56,685 | 496,901 | 1,670,984 |
| Income recognised directly in equity: | | | | | | |
| Investment in available-for-sale securities | | | | | | |
| Gain recognised in shareholders' equity | - | - | 2,150 | - | - | 2,150 |
| Net income recognised directly in equity | - | - | 2,150 | - | - | 2,150 |
| Net income for the period | - | - | - | - | 50,335 | 50,335 |
| Total income for the period | - | - | 2,150 | - | 50,335 | 52,485 |
| Balance as at 30 September 2009 | <u>702,950</u> | <u>418,812</u> | <u>(2,214)</u> | <u>56,685</u> | <u>547,236</u> | <u>1,723,469</u> |

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Cash flow statements

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|--|--|------------------|--------------------------------------|------------------|
| | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> |
| Cash flows from operating activities | | | | |
| Net income (loss) before tax | 82,365 | (23,054) | 66,977 | 1,013 |
| Adjustments to reconcile net income (loss) to net cash provided by (paid from) operating activities: | | | | |
| Depreciation | 78,193 | 76,997 | 76,603 | 74,768 |
| Loss on impairment of investment in available-for-sale securities | - | 36,187 | - | 23,968 |
| Loss (gain) on disposal of equipment | (5) | 303 | - | 303 |
| Unrealised loss (gain) on exchange | 7,709 | (1,455) | 7,744 | (1,525) |
| Interest income | (35,083) | (17,418) | (34,936) | (16,440) |
| Interest expenses | 47,814 | 22,358 | 34,129 | 6,926 |
| Minority interest in loss on impairment of investment in available-for-sale securities | - | 403 | - | - |
| Income from operating activities before changes in operating assets and liabilities | 180,993 | 94,321 | 150,517 | 89,013 |
| Operating assets (increase) decrease | | | | |
| Trade accounts and notes receivable | (909,906) | 4,077 | (717,331) | 73,131 |
| Amounts due from related parties | 1,154 | (1,550) | 1,154 | (1,550) |
| Inventories | (77,710) | 18,776 | (77,742) | 14,486 |
| Other current assets | (339,185) | (138,541) | (490,044) | (151,973) |
| Other assets | 479 | 182 | 364 | (40) |
| Operating liabilities increase (decrease) | | | | |
| Trade accounts and notes payable | 441,144 | (361,182) | 442,578 | (361,684) |
| Amounts due to related parties | 3,034 | 3,393 | (280) | 55 |
| Other current liabilities | 225,078 | 143,669 | 216,743 | 144,371 |
| Cash flows used in operating activities | (474,919) | (236,855) | (474,041) | (194,191) |
| Cash paid for interest expenses | (26,571) | (22,226) | (12,886) | (6,794) |
| Cash paid for corporate income tax | (23,616) | (16,209) | (21,858) | (14,609) |
| Net cash flows used in operating activities | (525,106) | (275,290) | (508,785) | (215,594) |

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Cash flow statements (continued)

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|----------------|--------------------------------------|----------------|
| | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> |
| Cash flows from investing activities | | | | |
| Decrease (increase) in current investments - restricted | | | | |
| bank deposits | (1,125) | 277 | - | (79) |
| Decrease in restricted bank deposits | (4,058) | 11,039 | (10,915) | 9,651 |
| Interest income | 5,355 | 12,946 | 5,195 | 11,947 |
| Acquisitions of equipment | (4,232) | (7,131) | (2,617) | (6,225) |
| Proceeds from sales of equipment | 317 | - | - | - |
| Net cash flows from (used in) investing activities | (3,743) | 17,131 | (8,337) | 15,294 |
| Cash flows from financing activities | | | | |
| Increase (decrease) in bank overdrafts | | | | |
| and short-term bank loans | 217,770 | 7,632 | 222,078 | (9,776) |
| Increase in trust receipts | 33,406 | 144,814 | 33,406 | 144,814 |
| Cash receipt from long-term loans | 202,873 | - | 202,873 | - |
| Proceed from increase in share capital | - | 950 | - | 950 |
| Dividend paid | - | (61,073) | - | (61,073) |
| Net cash flows from financing activities | 454,049 | 92,323 | 458,357 | 74,915 |
| Net decrease in cash and cash equivalents | (74,800) | (165,836) | (58,765) | (125,385) |
| Cash and cash equivalents at beginning of period | 205,903 | 728,586 | 163,364 | 654,095 |
| Cash and cash equivalents at end of period | 131,103 | 562,750 | 104,599 | 528,710 |
| | - | - | - | - |

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

Jasmine Telecom Systems Public Company Limited and its subsidiary

Notes to consolidated interim financial statements

For the three-month and nine-month periods ended 30 September 2009 and 2008

1. General information

1.1 Corporate information

Jasmine Telecom Systems Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Jasmine International Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the design and installation of telecommunication systems, rental of public telephones, and other businesses and its registered address is 200 Moo 4, 9th Floor, Jasmine International Tower, Chaengwatana Road, Pakkred, Nonthaburi.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2007) “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets and the statements of income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

1.3 Basis of consolidation

These consolidated financial statements included the financial statements of Jasmine Telecom Systems Public Company Limited and Siam Teltech Computer Company Limited, a 97.87%-owned subsidiary company, and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2008, with no structural changes related to subsidiary company occurring during the current period.

1.4 Adoption of new accounting standards

In June 2009, the Federation of Accounting Professions has issued Notification No. 12/2552, regarding the renumbering of Thai Accounting Standards to match the corresponding International Accounting Standards. Therefore the numbers of Thai Accounting Standards as used in these financial statements are corresponded to those per this notification.

The Federation of Accounting Professions has issued Notification No. 86/2551 and 16/2552, mandating the use of new accounting standards, financial reporting standard and accounting treatment guidance as follows.

a) Accounting standards, financial reporting standard and accounting treatment guidance which are effective for the current year

| | |
|---|---|
| Framework for Preparation and Presentation of Financial Statements (revised 2007) | |
| TAS 36 (revised 2007) | Impairment of Assets |
| TFRS 5 (revised 2007) | Non-current Assets Held for Sale and Discontinued Operations |
| Accounting Treatment Guidance for Leasehold right | |
| Accounting Treatment Guidance for Business Combination under Common Control | |

These accounting standards, financial reporting standard and accounting treatment guidance became effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management of the Company has assessed the effect of these standards and believes that Accounting Treatment Guidance for Leasehold right and Accounting Treatment Guidance for Business Combination under Common Control are not relevant to the business of the Company, while Framework for Preparation and Presentation of Financial Statements (revised 2007), TAS 36 (revised 2007), and TFRS5 (revised 2007) will not have any significant impact on the financial statements for the current period.

b) Accounting standards which are not effective for the current year

| | | <u>Effective date</u> |
|-----------------------|--|-----------------------|
| TAS 20 | Accounting for Government Grants and Disclosure of Government Assistance | 1 January 2012 |
| TAS 24 (revised 2007) | Related Party Disclosures | 1 January 2011 |
| TAS 40 | Investment Property | 1 January 2011 |

However, TAS 24 (revised 2007) and TAS 40 allows early adoption by the entity before the effective date.

The management of the Company is still evaluating the effect of these three accounting standards and has not been able to reach a conclusion as to their effect to the financial statements for the year in which they are initially applied.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2008.

2. Related party transactions

During the periods, the Company and its subsidiary had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those related parties. Such transactions, for the three-month and nine-month periods ended 30 September 2009 and 2008, are summarised below.

(Unit: Million Baht)

| | Consolidated financial statements | | | | Transfer Pricing Policy |
|--|-----------------------------------|-------|----------------------------|-------|---|
| | For the three-month periods | | For the nine-month periods | | |
| | ended 30 September | | ended 30 September | | |
| | 2009 | 2008 | 2009 | 2008 | |
| <u>Transactions with parent company</u> | | | | | |
| Sales and service income | - | - | 0.4 | - | Contract price or at prices normally charged to other customers or cost plus margin |
| Office rental and service expenses | 2.4 | 2.8 | 7.0 | 8.3 | Contract price or at prices normally charged to other customers |
| Other expenses | 0.1 | 0.1 | 0.7 | 0.5 | Contract price or at prices normally charged to other customers |
| <u>Transactions with related companies</u> | | | | | |
| Sales and service income | 104.3 | 181.2 | 1,373.6 | 289.8 | Contract price or at prices normally charged to other customers or cost plus margin |
| Interest income | 14.7 | 1.9 | 33.8 | 5.5 | MLR per annum |
| Cost of sales and services | 0.1 | 4.3 | 24.8 | 18.8 | Contract price or at prices normally charged to other customers |
| Office rental and service expenses | 0.2 | 0.2 | 1.0 | 1.0 | Contract price or at prices normally charged to other customers |

(Unaudited but reviewed)

(Unit: Million Baht)

| | Consolidated financial statements | | | | Transfer Pricing Policy |
|----------------|-----------------------------------|-------------|----------------------------|-------------|---|
| | For the three-month periods | | For the nine-month periods | | |
| | ended 30 September | | ended 30 September | | |
| | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> | |
| Other expenses | 1.7 | 2.0 | 5.3 | 5.9 | Contract price or at prices normally charged to other customers |

(Unit: Million Baht)

| | Separate financial statements | | | | Transfer Pricing Policy |
|--|-------------------------------|-------------|----------------------------|-------------|---|
| | For the three-month periods | | For the nine-month periods | | |
| | ended 30 September | | ended 30 September | | |
| | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> | |
| <u>Transactions with parent company</u> | | | | | |
| Sales and service income | - | - | 0.4 | - | Contract price or at prices normally charged to other customers or cost plus margin |
| Office rental and service expenses | 1.5 | 1.5 | 4.5 | 4.5 | Contract price or at prices normally charged to other customers |
| Other expenses | - | 0.1 | 0.2 | 0.4 | Contract price or at prices normally charged to other customers |
| <u>Transactions with related companies</u> | | | | | |
| Sales and service income | 53.3 | 173.4 | 1,237.5 | 266.6 | Contract price or at prices normally charged to other customers or cost plus margin |
| Interest income | 14.7 | 1.9 | 33.8 | 5.5 | MLR per annum |
| Cost of sales and services | - | 4.3 | 24.7 | 18.7 | Contract price or at prices normally charged to other customers |
| Office rental and service expenses | 0.2 | 0.2 | 1.0 | 1.0 | Contract price or at prices normally charged to other customers |
| Other expenses | 1.1 | 1.2 | 3.5 | 3.4 | Contract price or at prices normally charged to other customers |

(Unaudited but reviewed)

The balances of the accounts as at 30 September 2009 and 31 December 2008 between the Company and those related companies are as follows:

| | Consolidated | | (Unit: Thousand Baht) | |
|---|----------------------|------------------|-----------------------|------------------|
| | financial statements | | Separate | |
| | 30 September | 31 December | 30 September | 31 December |
| | 2009 | 2008 | 2009 | 2008 |
| | | (Audited) | | (Audited) |
| <u>Trade accounts and notes receivable - related parties</u> | | | | |
| <u>Parent company</u> | | | | |
| Jasmine International Plc. | 8,156 | 8,156 | 8,156 | 8,156 |
| <u>Related companies</u> | | | | |
| TT&T Plc. | 609,147 | 439,447 | 211,900 | 211,959 |
| Triple T Broadband Plc. | 582,306 | 680,223 | 559,739 | 680,223 |
| Jastel Network Co., Ltd. | 163,339 | 18,001 | 163,339 | 18,001 |
| T.J.P. Engineering Co., Ltd. | 25,949 | 25,949 | 25,949 | 25,949 |
| Triple T Internet Co., Ltd. | 6,510 | 6,367 | 6,510 | 6,367 |
| Jasmine Submarine Telecommunications Co., Ltd. | 2,371 | 2,376 | 2,371 | 2,376 |
| TT&T Subscriber Services Co., Ltd. | 2,107 | 266 | - | - |
| Triple T Global Net Co., Ltd. | 1,231 | 61,470 | - | 61,470 |
| Acumen Co., Ltd. | 304 | - | 304 | - |
| Total trade accounts and notes receivable - related companies | 1,393,264 | 1,234,099 | 970,112 | 1,006,345 |
| Total trade accounts and notes receivable - related parties | 1,401,420 | 1,242,255 | 978,268 | 1,014,501 |
| <u>Amounts due from related parties</u> | | | | |
| <u>Related companies</u> | | | | |
| TT&T Plc. | 17,316 | 15,883 | 17,316 | 15,883 |
| TT&T Subscriber Services Co., Ltd. | 106 | - | 106 | - |
| Triple T Broadband Plc. | 40 | 40 | 40 | 40 |
| Jasmine Submarine Telecommunications Co., Ltd. | - | 1,260 | - | 1,260 |
| Total amounts due from related parties | 17,462 | 17,183 | 17,462 | 17,183 |
| <u>Unbilled receivable from related parties</u> | | | | |
| <u>Related companies</u> | | | | |
| T.J.P. Engineering Co., Ltd. | 65,112 | 64,863 | 65,112 | 64,863 |
| Triple T Broadband Plc. | 6,000 | - | - | - |
| TT&T Plc. | 3,072 | 96,813 | - | - |
| TT&T Subscriber Services Co., Ltd. | - | 14,950 | - | - |
| Total unbilled receivable from related parties | 74,184 | 176,626 | 65,112 | 64,863 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|--|----------------------|---------------|----------------------|---------------|
| | financial statements | | financial statements | |
| | 30 September | 31 December | 30 September | 31 December |
| | 2009 | 2008 | 2009 | 2008 |
| | | (Audited) | | (Audited) |
| <u>Long-term trade accounts and notes receivable from related parties</u> | | | | |
| <u>Related companies</u> | | | | |
| Triple T Broadband Plc. | 751,258 | - | 751,258 | - |
| Triple T Global Net Co., Ltd. | - | 22,115 | - | 22,115 |
| Total long-term trade accounts and notes receivable from related parties | 751,258 | 22,115 | 751,258 | 22,115 |
| <u>Trade accounts and notes payable - related parties</u> | | | | |
| <u>Related companies</u> | | | | |
| TT&T Subscriber Services Co., Ltd. | 17,705 | - | 17,705 | - |
| ACeS Regional Services Co., Ltd. | 1 | - | 1 | - |
| TT&T Plc. | - | 134 | - | 134 |
| Total trade accounts and notes payable - related parties | 17,706 | 134 | 17,706 | 134 |
| <u>Amounts due to related parties</u> | | | | |
| <u>Parent company</u> | | | | |
| Jasmine International Plc. | 9,572 | 7,069 | 21 | 268 |
| <u>Related companies</u> | | | | |
| Premium Assets Co., Ltd. | 991 | 469 | 219 | 250 |
| Jasmine Submarine Telecommunications Co., Ltd. | 575 | 575 | 575 | 575 |
| Jasmine Internet Co., Ltd. | 60 | 60 | - | - |
| Acumen Co., Ltd. | 50 | 50 | 50 | 50 |
| Triple T Internet Co., Ltd. | 38 | 27 | 27 | 27 |
| Triple T Broadband Plc. | 31 | 33 | 31 | 33 |
| Total amounts due to related companies | 1,745 | 1,214 | 902 | 935 |
| Total amounts due to related parties | 11,317 | 8,283 | 923 | 1,203 |
| <u>Advance received from related parties</u> | | | | |
| <u>Related companies</u> | | | | |
| Jastel Network Co., Ltd. | 481 | 1,007 | 481 | 1,007 |
| Jasmine Submarine Telecommunications Co., Ltd. | 90 | 90 | 90 | 90 |
| Triple T Broadband Plc. | 8 | 8 | 8 | 8 |
| TT&T Plc. | - | 2,536 | - | - |
| Triple T Global Net Co., Ltd. | - | 94 | - | 94 |
| Total advance received from related parties | 579 | 3,735 | 579 | 1,199 |

As at 30 September 2009, the Company and its subsidiary company had outstanding balances receivable from TT&T Plc. (TT&T), a related company amounting to approximately Baht 630 million. The balances are recorded under the captions of “Trade accounts and notes receivable - related parties”, “Amounts due from related parties”, and “Unbilled receivable from related parties” in the consolidated balance sheet (approximately Baht 229 million in the separate balance sheet). Most of the balances are long outstanding. In considering the collectability of the outstanding balances, the management of the Company and its subsidiary received cash flow projections, which had been prepared by TT&T. They show that TT&T will have sufficient future cash flows to make full payment. On 22 April 2008, TT&T filed a petition for business rehabilitation with the Central Bankruptcy Court and the Court accepted the petition. Subsequently, on 14 January 2009, a creditors’ meeting resolved to appoint TT&T as the rehabilitation planner. On 8 April 2009, the Court rejected TT&T as the rehabilitation planner, and ordered the Official Receiver to hold a creditors’ meeting again within 40 days to select a new rehabilitation planner. Subsequently, on 2 June 2009, the creditors passed the resolution to select P Planner Company Limited as the rehabilitation planner and on 22 July 2009, the Central Bankruptcy Court ordered an appointment of P Planner Company Limited as the rehabilitation planner. However, the rehabilitation plan is still required to be approved by the creditors and the Court. The adequacy of the allowance for doubtful accounts for the outstanding receivable balances is dependent upon the rehabilitation, and the management of the Company and its subsidiary cannot determine an appropriate amount at this stage.

Trade accounts and notes receivable-related parties

The Company sold goods to Triple T Broadband Plc. and Triple T Global Net Co., Ltd. (related companies). Sales proceeds will be received over a period of 3 years. The balances of such transactions as at the balance sheet date, classified based on due dates, are as follows:

| | (Unit: Thousand Baht) | |
|---|-----------------------------|-----------------------------|
| | 30 September 2009 | 31 December 2008 |
| | <u> </u> | <u> </u> |
| | | (Audited) |
| Trade accounts and notes receivable from related parties due within 1 year (presented under the caption of “Trade accounts and notes receivable - related parties” in the balance sheet) | 68,769 | 375,502 |
| Trade accounts and notes receivable from related parties due over 1 year (presented under the caption of “Long-term trade accounts and notes receivable from related parties” in the balance sheet) | 751,258 | 22,115 |
| Total | <u>820,027</u> | <u>397,617</u> |
| Fair value | <u>820,027</u> | <u>397,617</u> |

3. Trade accounts and notes receivable

The outstanding balances of trade accounts and notes receivable as at 30 September 2009 and 31 December 2008 are aged based on due date, as follows:

| <u>Age of receivables</u> | Consolidated | | (Unit: Thousand Baht) | |
|--|----------------------|---------------------|-----------------------|---------------------|
| | financial statements | | Separate | |
| | 30 September 2009 | 31 December 2008 | 30 September 2009 | 31 December 2008 |
| | | (Audited) | | (Audited) |
| <u>Related parties</u> | | | | |
| Not yet due | 160,681 | 572,520 | 138,114 | 566,658 |
| Past due | | | | |
| Up to 3 months | 299,807 | 131,779 | 157,264 | 131,738 |
| 3 - 6 months | 125,601 | 67,748 | 87,955 | 67,748 |
| 6 - 12 months | 290,456 | 248,291 | 290,456 | 55,979 |
| Over 12 months | 524,875 | 221,917 | 304,479 | 192,378 |
| Total | 1,401,420 | 1,242,255 | 978,268 | 1,014,501 |
| <u>Unrelated parties</u> | | | | |
| Not yet due | 287,714 | 291,152 | 285,846 | 287,149 |
| Past due | | | | |
| Up to 3 months | 31,641 | 33,520 | 30,641 | 32,972 |
| 3 - 6 months | 55,839 | 20,270 | 55,839 | 19,130 |
| 6 - 12 months | 15,621 | 12,983 | 15,621 | 12,983 |
| Over 12 months | 31,132 | 57,583 | 31,128 | 57,579 |
| Total | 421,947 | 415,508 | 419,075 | 409,813 |
| Total trade accounts and notes receivable | 1,823,367 | 1,657,763 | 1,397,343 | 1,424,314 |

(Unaudited but reviewed)

Included in trade accounts and notes receivable from unrelated parties as at 30 September 2009 and 31 December 2008, were amounts receivable from the companies majority-owned by the government as follows:

(Unit: Thousand Baht)

| Age of receivables | Consolidated financial statements | | Separate financial statements | |
|--------------------|-----------------------------------|----------------------------------|-------------------------------|----------------------------------|
| | 30 September 2009 | 31 December 2008 (Audited) | 30 September 2009 | 31 December 2008 (Audited) |
| Not yet due | 245,836 | 281,753 | 244,019 | 278,201 |
| Past due | | | | |
| Up to 3 months | 3,494 | 33,447 | 3,494 | 32,899 |
| 3 - 6 months | 42,702 | 1,139 | 42,702 | - |
| 6 - 12 months | - | - | - | - |
| Over 12 months | 27,204 | 57,279 | 27,204 | 57,279 |
| Total | <u>319,236</u> | <u>373,618</u> | <u>317,419</u> | <u>368,379</u> |

The Company has assigned its rights to receive payments from certain accounts receivable to banks, to secure credit facilities obtained from those banks. The subsidiary company has assigned its rights to receive payments from the majority of its accounts receivable to banks, to secure short-term loans obtained from those banks.

4. Investment in subsidiary

The Company has pledged the share certificates of the investment in 288,199 ordinary shares of Siam Teltech Company Co., Ltd. (the subsidiary company), which represents 52.40 percent of total ordinary shares of that company, as a security for long-term debt under rehabilitation plan of the parent company.

5. Other long-term investment - available-for-sale securities

This represents an investment in ordinary shares of TT&T Plc. as per the following details:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|---------------------|----------------------|---------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 30 September 2009 | 31 December 2008 | 30 September 2009 | 31 December 2008 |
| | | (Audited) | | (Audited) |
| Investment in available-for-sale securities, at cost | 55,843 | 55,843 | 30,672 | 30,672 |
| Less: Allowance for impairment of investment in available-for-sale securities | (43,052) | (43,052) | (23,968) | (23,968) |
| Less: Unrealised loss on changes in value of investment in available-for-sale securities | (4,300) | (8,366) | (2,214) | (4,364) |
| Other long-term investment - available-for-sale securities - net | <u>8,491</u> | <u>4,425</u> | <u>4,490</u> | <u>2,340</u> |

6. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2009 are summarised below.

| | (Unit: Thousand Baht) | |
|--|-----------------------|----------------------|
| | Consolidated | Separate |
| | financial statements | financial statements |
| Net book value as at 31 December 2008 (Audited) | 432,302 | 426,942 |
| Acquisitions during period - at cost | 4,232 | 2,617 |
| Disposals during the period - net book value as at disposal date | (312) | - |
| Transfer out | (3,247) | (3,247) |
| Depreciation for period | (78,193) | (76,603) |
| Net book value as at 30 September 2009 | <u>354,782</u> | <u>349,709</u> |

Public telephone project

As at 30 September 2009, property, plant and equipment included installed public telephones under the rental contracts with TOT Plc. ("TOT") and uninstalled public telephones, totaling 16,711 telephones, with a total net book value of approximately Baht 329 million (31 December 2008: totaling 16,835 telephones and total net book value of approximately Baht 398 million).

On 3 February 2009, the Company issued a letter to TOT Plc. (“TOT”) in order to seek approval from TOT to cancel the contracts with TOT to rent 30,000 public telephones for a 10-year period because the counterparties are unable to perform their duties as agreed in the contracts. Under this letter, the Company requested TOT to consider the cancellation of the rental contracts to be effective within 27 February 2009.

In April 2009, the meeting of the Board of Directors of TOT passed a resolution approving in principle to purchase public telephones from the Company. Currently, TOT is considering the purchase price and the approval of such purchase.

In January 2009, the Company entered into Memorandums of Understanding with Triple T Global Net Company Limited, a related company, to rent up to 4,000 public telephones with telephone booths for a period of 2 years from the date of the rental contract, which can be extended periodically, by up to 10 years on aggregate; and to rent up to 12,000 public telephones for a period of 1 year from the date of the rental contract, which can be extended periodically, by up to 5 years on aggregate. According to the Memorandums, the Company will receive monthly rental at a fixed monthly rate per telephone throughout the rental period. However, in May 2009 the Company and Triple T Global Net Company Limited cancelled such Memorandums of Understanding.

As at 30 September 2009, the management of the Company believes that the fair value of the whole public telephones is higher than the net book value.

7. Trade accounts and notes payable - unrelated parties

The Company purchased goods from 2 groups of companies: domestic and overseas. Under the sales and purchase agreements with those companies, the Company is obliged to make payment within 3 years. The outstanding balances of such transactions as at the balance sheet date, based on due dates, are as follows:

| | (Unit: Thousand Baht) | |
|---|-----------------------|---------------------|
| | 30 September 2009 | 31 December 2008 |
| | | (Audited) |
| Trade accounts and notes payable - unrelated parties due within 1 year (presented under the caption of “Trade accounts and notes payable - unrelated parties” in the balance sheet) | 16,798 | 347,676 |
| Trade accounts and notes payable - unrelated parties due over 1 year (presented under the caption of “Long-term trade accounts and notes payable - unrelated parties” in the balance sheet) | 592,004 | - |
| Total | <u>608,802</u> | <u>347,676</u> |
| Fair value | <u>608,802</u> | <u>347,676</u> |

(Unaudited but reviewed)

The above outstanding balance of trade accounts and notes payable is secured by Triple T Broadband Plc. (a related company).

8. Long-term loan

| | (Unit: Thousand Baht) | |
|---|-----------------------|---------------------|
| | 30 September 2009 | 31 December 2008 |
| Long-term loan | 202,873 | - |
| Less: Current portion | (53,254) | - |
| Long-term loan - net of current portion | <u>149,619</u> | <u>-</u> |

The loan carries interest at the rate of MLR per annum and repayable quarterly from March 2010 to March 2012. The loan is secured by the assignment of rights to receive payments from certain accounts receivable of the Company.

9. ESOP shares

The ordinary shares had been granted to the Company's directors and employees detailed as follows:

| | ESOP shares |
|---|-----------------|
| Extraordinary General Meeting of Shareholders resolution date | 9 March 2005 |
| Total number of shares issued (shares) | 5,000,000 |
| Exercised period as from the issued date (years) | 5 |
| Initial offering date | 3 November 2006 |
| Expired date | 2 November 2011 |
| Exercised price (Baht per share) | Baht 1 |
| Remaining shares | |
| As at 31 December 2008 (shares) | 2,050,000 |
| As at 30 September 2009 (shares) | 2,050,000 |

10. ESOP warrants

The ordinary share warrants had been granted to the Company's directors and employees free of charge detailed as follows:

| | ESOP warrants |
|---|------------------|
| Extraordinary General Meeting of Shareholders resolution date | 9 March 2005 |
| Total number of warrants issued (units) | 21,250,000 |
| Exercised period as from the issued date (years) | 5 |
| Expired date | 27 October 2011 |
| Exercised ratio (warrant: ordinary share) | 1 : 1 |
| Exercised price (Baht per unit) | Baht 1 to Baht 2 |
| Remaining warrants as at 31 December 2008 (units) | 18,500,000 |
| Remaining warrants as at 30 September 2009 (units) | 18,500,000 |

11. Earnings (loss) per share

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

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

Reconciliation between basic earnings (loss) per share and diluted earnings (loss) per share is presented below.

| Consolidated financial statements | | | | | |
|---|--------------------|---|----------------------|------------------------------|-------------|
| For the three-month periods ended 30 September | | | | | |
| Net income (loss) | | Weighted average number of ordinary shares | | Earnings (loss) per share | |
| <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> |
| (Thousand Baht) | (Thousand Baht) | (Thousand shares) | (Thousand shares) | (Baht) | (Baht) |
| Basic earnings (loss) per share | | | | | |
| Net income (loss) attributable to equity holders of the parent | | | | | |
| 27,165 | (6,217) | 702,950 | 702,950 | 0.0386 | (0.0088) |
| Diluted earnings (loss) per share | | | | | |
| Net income (loss) of ordinary shareholders assuming the conversion of warrants to ordinary shares | | | | | |
| <u>27,165</u> | <u>(6,217)</u> | <u>702,950</u> | <u>702,950</u> | 0.0386 | (0.0088) |

(Unaudited but reviewed)

| Separate financial statements | | | | | | |
|--|--------------------|---|----------------------|-----------------------|-------------|--|
| For the three-month periods ended 30 September | | | | | | |
| Net income | | Weighted average number of ordinary shares | | Earnings per share | | |
| <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> | |
| (Thousand Baht) | (Thousand Baht) | (Thousand shares) | (Thousand shares) | (Baht) | (Baht) | |
| Basic earnings per share | | | | | | |
| Net income attributable to equity holders of the parent | | | | | | |
| 11,081 | 1,326 | 702,950 | 702,950 | 0.0158 | 0.0019 | |
| Diluted earnings per share | | | | | | |
| Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares | | | | | | |
| <u>11,081</u> | <u>1,326</u> | <u>702,950</u> | <u>702,950</u> | 0.0158 | 0.0019 | |

| Consolidate financial statements | | | | | | |
|---|--------------------|---|----------------------|------------------------------|-------------|--|
| For the nine-month periods ended 30 September | | | | | | |
| Net income (loss) | | Weighted average number of ordinary shares | | Earnings (loss) per share | | |
| <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> | |
| (Thousand Baht) | (Thousand Baht) | (Thousand shares) | (Thousand shares) | (Baht) | (Baht) | |
| Basic earnings (loss) per share | | | | | | |
| Net income (loss) attributable to equity holders of the parent | | | | | | |
| 65,395 | (29,257) | 702,950 | 702,513 | 0.0930 | (0.0416) | |
| Diluted earnings (loss) per share | | | | | | |
| Net income (loss) of ordinary shareholders assuming the conversion of warrants to ordinary shares | | | | | | |
| <u>65,395</u> | <u>(29,257)</u> | <u>702,950</u> | <u>702,513</u> | 0.0930 | (0.0416) | |

(Unaudited but reviewed)

(Unit: Million Baht)

| | | For the nine-month periods ended 30 September | | | | | | | |
|---------------------------------|--|--|------------|-------------------------------------|-----------|----------------|-----------|---------------|------------|
| | | Design and installation of telecommunication systems segment | | Rental of public telephones segment | | Other segments | | Consolidation | |
| | | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Revenue from external customers | | <u>2,219</u> | <u>832</u> | <u>56</u> | <u>84</u> | <u>91</u> | <u>74</u> | <u>2,366</u> | <u>990</u> |

The Company disclosed its financial information by business segment in accordance with Accounting Standard No. 14 “Segment Reporting”, except for the operating results which the Company is unable to disclose by business segment since the management believes that such disclosure would unfavorably affect the management and operation of the businesses of the Company and its subsidiary.

13. Dividends

On 28 April 2008, the Annual General Meeting No.1/2008 of the Company’s shareholders passed a resolution approving the payment of dividend of Baht 0.087 per share from the 2007 earnings, a total of approximately Baht 61.1 million. The Company paid this amount of dividend in May 2008.

On 24 September 2008, the Meeting No. 7/2008 of the Board of Directors of the Company passed a resolution approving the payment of interim dividend of Baht 0.20 per share from the retained earnings as at 30 June 2008, a total of approximately Baht 140.6 million. The Company paid this amount of dividend in October 2008.

14. Commitments and contingent liabilities

14.1 Operating lease commitments

The Company and its subsidiary have entered into lease agreements in respect of the lease of office building space and related services. The terms of the agreements are generally between 1 and 2 years and non-cancellable.

As at 30 September 2009, future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

| | | (Unit: Million Baht) | |
|----------------|--|----------------------|----------------------|
| | | Consolidated | Separate |
| | | financial statements | financial statements |
| Payable within | | | |
| 1 year | | 7.8 | 5.0 |

14.2 Guarantees

As at 30 September 2009, there were outstanding bank guarantees of Baht 851.9 million (31 December 2008: Baht 775.2 million) issued by the banks on behalf of the Company and its subsidiary, with Baht 810.6 million (31 December 2008: Baht 540.3 million) attributed to the Company, in respect of certain bid bonds and performance bonds as required in the normal course of business.

14.3 Letters of credit

As at 30 September 2009, the Company had outstanding commitments under letters of credit with local and overseas suppliers amounting to approximately USD 3.4 million, SGD 0.1 million and Baht 38.9 million.

15. Approval of financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 November 2009.