

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

AS AT SEPTEMBER 30, 2003 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2002 (AUDITED)

AUDITOR'S REPORT

To The Shareholders of

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

I have reviewed the balance sheets of HOME PRODUCT CENTER PUBLIC COMPANY LIMITED as at September 30, 2003, the related statements of income for three and nine months ended September 30, 2003 and 2002, statements of changes in shareholders' equity and statements of cash flows for nine months ended September 30, 2003 and 2002. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review.

I conducted my review in accordance with auditing standards applicable to review engagements. Those standards require 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. Accordingly, I do not express an opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that the financial statements are not presented fairly, in all material respects in accordance with generally accepted accounting principles.

I have audited the financial statements of HOME PRODUCT CENTER PUBLIC COMPANY LIMITED as at December 31, 2002 in accordance with generally accepted auditing standards and I expressed an unqualified opinion in my report dated February 7, 2003. The balance sheets as at December 31, 2002, presented for comparison purpose, is a partial of the audited and reported financial statements. I have not performed any auditing procedures since that date.

Office of D I A International Auditing

(Mrs. Suvimol Krittayakiern)

C.P.A. (Thailand)

Registration No. 2982

October 31, 2003

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS AT SEPTEMBER 30, 2003 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2002 (AUDITED)

Assets	Note	September 30, 2003 Baht	December 31, 2002
Current assets			
Cash and cash equivalents	3	80,078,574.83	84,051,092.97
Accounts receivable - net	4	134,977,852.68	140,699,262.83
Inventories	5	1,578,578,238.29	1,245,873,765.03
Receivable - Revenue Department		56,408,494.07	34,630,180.32
Other current assets		114,818,924.78	92,145,069.31
Total current assets		1,964,862,084.65	1,597,399,370.46
Non-current assets			
Fixed deposit	6	28,110,866.40	32,001,821.73
Property, plant and equipment - net	7	1,969,128,385.87	1,277,468,483.06
Deferred leasehold	8	238,735,079.32	209,844,454.63
Real estate foreclosed		4,174,122.40	2,674,122.40
Retention for lease		25,754,626.20	17,385,426.20
Other non-current assets		5,796,817.50	8,879,440.59
Total non-current assets		2,271,699,897.69	1,548,253,748.61
Total assets		4,236,561,982.34	3,145,653,119.07

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

BALANCE SHEETS (Cont.)

AS AT SEPTEMBER 30, 2003 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2002 (AUDITED)

Liabilities and shareholders' equity	Note	September 30, 2003 Baht	December 31, 2002
Current liabilities			
Bank overdrafts and short-term loans			
from financial institutions	9	723,212,947.50	140,198,886.13
Accounts payable		1,729,191,902.80	1,427,041,608.83
Current portion of long-term debt	11, 12	79,136,984.00	83,415,317.00
Notes payable - leasehold expenses	10	210,000.00	15,500,000.00
Assets payable		132,352,002.34	76,136,616.03
Deposits from sales of goods		90,804,411.46	68,221,496.23
Other payables		38,419,448.01	49,069,337.31
Other current liabilities		111,714,648.36	88,005,823.66
Total current liabilities		<u>2,905,042,344.47</u>	<u>1,947,589,085.19</u>
Non-current liabilities			
Long-term loans	11	26,166,677.00	38,833,341.00
Decoration payable	12	708,499.00	7,084,990.00
Other non-current liabilities		64,523,000.51	6,971,472.42
Total non-current liabilities		<u>91,398,176.51</u>	<u>52,889,803.42</u>
Total liabilities		<u>2,996,440,520.98</u>	<u>2,000,478,888.61</u>

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

BALANCE SHEETS (Cont.)

AS AT SEPTEMBER 30, 2003 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2002 (AUDITED)

Liabilities and shareholders' equity (Cont.)	Note	September 30, 2003 Baht	December 31, 2002
Shareholders' equity			
Share capital			
Authorized share capital			
987,500,000 common shares of Baht 1 each		987,500,000.00	987,500,000.00
Issued and paid-up share capital			
753,000,000 common shares of Baht 1 each		753,000,000.00	
750,000,000 common shares of Baht 1 each			750,000,000.00
Premium on share capital		190,121,460.61	184,121,460.61
Retained earnings			
Appropriated			
Legal reserve	13	16,400,000.00	9,500,000.00
Unappropriated		280,600,000.75	201,552,769.85
Total shareholders' equity		1,240,121,461.36	1,145,174,230.46
Total liabilities and shareholders' equity		4,236,561,982.34	3,145,653,119.07

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

STATEMENTS OF INCOME

FOR THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002

(UNAUDITED/REVIEWED ONLY)

		For three months			For nine months		
		July - September			January - September		
	Note	2003	Baht	2002	2003	Baht	2002
Revenues							
Sales		1,802,190,325.92		1,209,259,418.57	4,693,474,990.48		3,177,823,721.84
Other income		30,557,509.92		14,432,741.90	62,301,342.83		32,604,566.06
Total revenues		1,832,747,835.84		1,223,692,160.47	4,755,776,333.31		3,210,428,287.90
Expenses							
Cost of sales		1,425,606,404.32		975,659,567.11	3,725,416,576.48		2,554,786,558.21
Selling and administrative expenses		322,984,852.14		206,467,160.71	841,704,784.45		557,588,924.81
Total expenses		1,748,591,256.46		1,182,126,727.82	4,567,121,360.93		3,112,375,483.02
Profit before interest expenses and income tax		84,156,579.38		41,565,432.65	188,654,972.38		98,052,804.88
Interest expenses		(6,526,916.78)		(4,730,433.30)	(18,619,839.27)		(18,719,957.86)
Income tax		(20,308,218.42)		(10,265,202.44)	(39,087,902.21)		(17,086,271.69)
Net profit		57,321,444.18		26,569,796.91	130,947,230.90		62,246,575.33
Basic earnings per share							
Net profit	16	0.08		0.04	0.17		0.11
Diluted earnings per share							
Net profit	16	0.07		0.04	0.16		0.11

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002
(UNAUDITED/REVIEWED ONLY)

(Unit : Baht)					
	Note	Issued and paid-up share capital	Premium on share capital	Legal reserve	Retained earnings (Deficit) Total
Beginning balance as at					
January 1, 2002		375,000,000.00	184,121,460.61	2,000,000.00	99,775,444.41 660,896,905.02
Common share		375,000,000.00	0.00	0.00	0.00 375,000,000.00
Legal reserve		0.00	0.00	5,000,000.00	(5,000,000.00) 0.00
Net profit		0.00	0.00	0.00	62,246,575.33 62,246,575.33
Beginning balance as at					
September 30, 2002		<u>750,000,000.00</u>	<u>184,121,460.61</u>	<u>7,000,000.00</u>	<u>157,022,019.74</u> <u>#####</u>
Beginning balance as at					
January 1, 2003		750,000,000.00	184,121,460.61	9,500,000.00	201,552,769.85 #####
Warrants - to purchase					
common share	19	3,000,000.00	6,000,000.00	0.00	0.00 9,000,000.00
Legal reserve	13	0.00	0.00	6,900,000.00	(6,900,000.00) 0.00
Dividend paid	18	0.00	0.00	0.00	(45,000,000.00) (45,000,000.00)
Net profit		0.00	0.00	0.00	130,947,230.90 130,947,230.90
Ending balance as at					
September 30, 2003		<u>753,000,000.00</u>	<u>190,121,460.61</u>	<u>#####</u>	<u>280,600,000.75</u> <u>#####</u>

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002
(UNAUDITED/REVIEWED ONLY)

	2003	Baht	2002
Cash flows from operating activities			
Net profit	130,947,230.90		62,246,575.33
Adjustment net profit (loss) to cash receipt (disbursement)			
Depreciation	93,646,201.31		55,864,736.82
Amortization of leasehold	6,354,457.01		5,059,161.80
Increase (Decrease) in allowance for doubtful accounts	0.00		(2,443,816.50)
Increase (Decrease) in allowance for damaged goods	11,036,275.60		2,904,624.87
(Gain) Loss from sales of assets	6,984,946.27		0.00
(Gain) Loss from exchange rate	0.00		(1,373,921.48)
(Increase) Decrease in accounts and notes receivable	4,221,410.15		(43,524,668.65)
(Increase) Decrease in inventories	(343,740,748.86)		(381,836,173.64)
(Increase) Decrease in other current assets	(22,673,855.47)		(36,035,216.74)
(Increase) Decrease in receivable - Revenue Department	(21,778,313.75)		(8,164,790.32)
(Increase) Decrease in retention for lease	(8,369,200.00)		0.00
(Increase) Decrease in other non-current assets	3,082,623.09		(1,062,062.58)
Increase (Decrease) in accounts and notes payable	302,150,293.97		477,381,158.03
Increase (Decrease) in other payables	(10,649,889.30)		15,051,079.62
Increase (Decrease) in accrued interest expenses	(196,234.23)		(1,596,537.12)
Increase (Decrease) in deposit from sales of goods	22,582,915.23		(5,760,752.85)
Increase (Decrease) in other current liabilities	23,905,058.93		21,686,876.52
Increase (Decrease) in other non-current liabilities	57,551,528.09		2,026,063.00
Net cash provided by (used in) operating activities	<u>255,054,698.94</u>		<u>160,422,336.11</u>

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (Cont.)
FOR NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002
(UNAUDITED/REVIEWED ONLY)

	2003	Baht	2002
Cash flows from investing activities			
Sales of assets	1,554,466.83		0.00
Fixed deposit	3,890,955.33		(20,000,006.78)
Paid for leasehold	(35,035,081.70)		(27,556,618.00)
Purchase of fixed assets	(661,493,514.88)		(188,842,055.84)
Paid for assets payable	(76,136,616.03)		(110,583,530.71)
Net cash provided by (used in) investing activities	<u>(767,219,790.45)</u>		<u>(346,982,211.33)</u>
Cash flows from financing activities			
Received (Paid) for bank overdrafts			
and loans from financial institutions	583,014,061.37		42,003.58
Paid for promissory notes	(15,500,000.00)		0.00
Received from long-term loans	63,300,000.00		63,300,000.00
Paid for long-term loans	(80,244,997.00)		(381,828,208.97)
Paid for financial lease agreement	(6,376,491.00)		(6,376,491.00)
Dividend paid	(45,000,000.00)		0.00
Warrants - to purchase common shares	9,000,000.00		0.00
Received from increase share capital	0.00		375,000,000.00
Net cash provided by (used in) financing activities	<u>508,192,573.37</u>		<u>50,137,303.61</u>
Net increase (decrease) in cash and cash equivalents	<u>(3,972,518.14)</u>		<u>(136,422,571.61)</u>
Cash and cash equivalents at the beginning of the period	84,051,092.97		266,881,874.79
Cash and cash equivalents at the end of the period	<u>80,078,574.83</u>		<u>130,459,303.18</u>
Additional disclosure of cash flows information			
1. Cash paid during the period			
Interest expenses	18,816,073.50		20,316,494.98
Income tax	6,741,561.70		8,029,261.12
2. Non-cash transaction			

Part of assets of Baht 141.06 million which purchased in 2003, were not been made payment, therefore, the Company recorded such amount in assets payable account.

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

AS AT SEPTEMBER 30, 2003 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2002 (AUDITED)

1. PREPARATION OF INTERIM FINANCIAL STATEMENTS BASIS

Notes to interim financial statements have been prepared in conformity with the Accounting Standard no. 41 "Interim Financial Statements" for the purpose to provide an update information on the latest complete set of annual financial statements. Accordingly, it focuses on new activities, events, and circumstances and does not duplicate information previously reported. However, the balance sheets, statements of income, statements of changes in shareholders' equity and statements of cash flows are presented the same as previous annual financial statements. Therefore, this interim financial statements should access to the most recent annual financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year ended December 31, 2002.

3. CASH AND CASH EQUIVALENTS

	September 30, 2003 Baht	December 31, 2002
Cash on hand	13,138,128.82	30,257,890.68
Current accounts	13,663,513.88	16,765,859.38
Savings deposit	53,276,932.13	37,027,342.91
Total	<u>80,078,574.83</u>	<u>84,051,092.97</u>

4. ACCOUNTS AND NOTES RECEIVABLE - NET

	September 30, 2003 Baht	December 31, 2002
Accounts receivable	115,734,277.21	104,659,956.62
Cheque return receivable	19,254,191.68	42,696,392.55
Credit card and coupon receivable	21,156,848.60	36,551,848.69
Total	156,145,317.49	183,908,197.86
Less Allowance for doubtful accounts	(21,167,464.81)	(43,208,935.03)
Accounts and notes receivable - net	134,977,852.68	140,699,262.83

The Company's trade accounts and notes receivable are long outstanding for over 12 months as at September 30, 2003 and December 31, 2002, in the amount of Baht 19.25 million and Baht 43.21 million, respectively.

5. INVENTORIES

	September 30, 2003 Baht	December 31, 2002
Inventories	1,607,848,900.83	1,264,108,151.97
Less Allowance for damaged goods	(29,270,662.54)	(18,234,386.94)
Total	1,578,578,238.29	1,245,873,765.03

6. FIXED DEPOSIT

As at September 30, 2003 and December 31, 2002, the Company used part of fixed deposit as guarantee from the treatment under land lease agreement with a commercial bank of Baht 12 million and Baht 27.5 million, respectively.

7. PROPERTY, PLANT AND EQUIPMENT - NET

	December 31, 2002	Increase	Decrease	Transfer in (out)	September 30, 2003
Cost :					
Land and improvement					
on land	136,300,000.00	67,071,228.00	0.00	0.00	203,371,228.00
Building and improvement					
on lease land	789,354,422.71	67,736,358.35	0.00	441,276,903.69	1,298,367,684.75
Computer system	142,419,307.30	24,605,660.97	(21,104,073.28)	3,259,725.71	149,180,620.70
Office supplies	59,749,038.36	25,638,227.24	(702,585.59)	6,120,177.46	90,804,857.47
Furniture, fixtures and					
equipment	307,517,144.64	129,473,936.13	(2,531,405.92)	45,007,648.67	479,467,323.52
Vehicles	3,868,060.16	3,196,261.72	(73,128.96)	0.00	6,991,192.92
Building under construction					
on lease land	108,709,303.15	413,530,075.30	0.00	(444,804,965.16)	77,434,413.29
Computer system under					
installation	2,700,796.71	5,234,990.00	0.00	(3,250,796.71)	4,684,990.00
Furniture and equipment					
under installation	200,705.00	57,358,779.51	0.00	(47,608,693.66)	9,950,790.85
Total	1,550,818,778.03	793,845,517.22	(24,411,193.75)	0.00	2,320,253,101.50
Accumulated depreciation :					
Building and improvement					
on lease land	128,959,333.25	32,881,582.03	0.00	(1,349.04)	161,839,566.24
Computer system	39,099,243.36	16,716,999.70	(14,073,105.66)	58,213.70	41,801,351.10
Office supplies	28,874,628.80	8,594,290.58	(301,359.50)	(55,438.80)	37,112,121.08
Furniture and equipment					
under installation	75,089,959.59	34,047,581.07	(1,469,225.96)	(1,425.86)	107,666,888.84
Vehicles	1,327,129.97	1,405,747.93	(28,089.53)	0.00	2,704,788.37
Total	273,350,294.97	93,646,201.31	(15,871,780.65)	(0.00)	351,124,715.63
Net book value	1,277,468,483.06				1,969,128,385.87

As at September 30, 2003, the Company has mortgaged all leasehold and building on lease land and part of furniture, fixtures and equipment for guarantee commitment and contingent liabilities with bank for credit line of Baht 468.70 million. As at September 30, 2003 and December 31, 2002, the Company has equipment at cost of Baht 23.56 million and Baht 11.64 million, respectively which were fully depreciated but are still being operated.

8. DEFERRED LEASEHOLD

	September 30, 2003 Baht	December 31, 2002
Deferred leasehold	236,152,826.56	160,896,208.56
Add Increase during the year	35,245,081.70	75,256,618.00
Less Accumulated amortization	(32,662,828.94)	(26,308,371.93)
Deferred leasehold - net	<u>238,735,079.32</u>	<u>209,844,454.63</u>
Amortization of leasehold :		
For nine months ended September 30, 2003 amounting to Baht		6,354,457.01
For nine months ended September 30, 2002 amounting to Baht		5,059,161.80

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

	September 30, 2003 Baht	December 31, 2002
Bank overdrafts	17,669,745.40	198,886.13
Loans from financial institutions - promissory		
notes	705,543,202.10	140,000,000.00
Total	<u>723,212,947.50</u>	<u>140,198,886.13</u>

9.1 The Company has overdrafts line with banks for several credit lines of Baht 90 million, some credit lines are guaranteed by building and leasehold and other credit lines have no collateral.

9.2 In 2003, the Company issued short-term promissory notes to finance institutions of Baht 710 million, which are due during October 2003 to February 2004 and some promissory notes without collateral.

10. NOTES PAYABLE - LEASEHOLD EXPENSES

In 2003, the Company has issued the postdate cheque of Baht 210,000.00 maturing in December 2003 for making the payment of leasehold and in 2002, the Company issued promissory notes of Baht 15.5 million for payment leasehold and the aval notes by a commercial bank which are matured in September 2003.

11. LONG-TERM LOANS

	September 30, 2003 Baht	December 31, 2002
Long-term loans	96,801,673.00	113,746,670.00
Less Current portion of long-term debt	(70,634,996.00)	(74,913,329.00)
Long-term loans - net	<u>26,166,677.00</u>	<u>38,833,341.00</u>

The Company has long-term loans from 2 commercial banks for 4 credit lines at the interest rate of MLR consist of :

No. of credit line	Amount of credit line	Amount of Baht		Repayment conditions per installment/per month
		September 30, 2003 Baht	December 31, 2002	
1	83,500,000.00	4,960,000.00	26,380,000.00	Baht 2.38 million
2	36,000,000.00	21,000,000.00	27,750,000.00	Baht 0.75 million
3	40,000,000.00	24,166,673.00	31,666,670.00	Baht 0.83 million
4	202,200,000.00	46,675,000.00	27,950,000.00	As details
	Total	<u>96,801,673.00</u>	<u>113,746,670.00</u>	

The Company entered into loans from bank agreement in type of Revolving Line by dividing into 2 portions : the first portion is a one-year loan with monthly installment and the second portion consist of promissory notes that could be issued and redeemed within the Revolving Line which will be transferred to the first portion as detailed following :

No. of credit line	Amount of Baht	Amount of Baht		Repayment conditions per installment/per month
		September 30, 2003 Baht	December 31, 2002	
1. Part I	28,500,000.00	11,875,000.00	4,750,000.00	- 3/2003 - 2/2004 of Baht 2.38 million each
Part II	85,500,000.00	0.00	0.00	- Transfer to 1st portion of Baht 28.50 million per year
Total	114,000,000.00	11,875,000.00	4,750,000.00	
2. Part I	34,800,000.00	34,800,000.00	23,200,000.00	- 9/2003 - 8/2004 of Baht 2.9 million each
Part II	53,400,000.00	0.00	0.00	- Transfer to 1st portion of Baht 34.80 million per year
Total	88,200,000.00	34,800,000.00	23,200,000.00	
Grand Total	202,200,000.00	46,675,000.00	27,950,000.00	

Such loans are guaranteed by leasehold right and construction on lease land, sub-leasehold and central utilities services in connection with sub leasehold including part of furniture and equipment (note 7 and 8).

12. DECORATION PAYABLE

	September 30, 2003 Baht	December 31, 2002
Decoration payable	9,210,487.00	15,586,978.00
Less Current portion of long-term debt	(8,501,988.00)	(8,501,988.00)
Total	708,499.00	7,084,990.00

The Company entered into an agreement that hire a company to improve and decorate the building space in the amount of Baht 26.25 million and a hire purchase agreement of furniture and decoration equipment in the amount of Baht 16.26 million. Both agreements will be made through 60 installments of Baht 437,511.00 each and Baht 270,948.00 each, respectively, commencing on November 10, 1999 and maturing on October 10, 2004.

13. LEGAL RESERVE

According to the Public Company Limited Act., the Company has appropriated its reserve as a legal reserve not less than 5% of the annual net profit after deduction of deficit brought forward (if any) as legal reserve until the reserve reaches 10% of authorized share capital.

14. DIRECTORS' REMUNERATION

Directors' remuneration is all benefits paid to the Company's directors which excluded salaries and related benefits for the period of nine months ended September 30, 2003 of Baht 1,800,000.00 (for the period of nine months ended September 30, 2002, for the amount of Baht 1,800,000.00)

15. TRANSACTION WITH RELATED COMPANIES

The Company's financial statements include the transactions with its related companies of which related by common shareholders and/or directorship. The value and benefits of these transactions are determined in the normal course of business based on the market value or the group of company concerned for non-market value.

	September 30, 2003 Baht December 31, 2002	
Accounts receivable		
Land and Houses Plc. and subsidiaries	70,571,051.45	61,599,072.65
Quality Houses Plc. and subsidiaries	19,724,191.62	20,121,444.68
Total	<u>90,295,243.07</u>	<u>81,720,517.33</u>
Sales of goods		
Land and Houses Plc. and subsidiaries	246,359,193.31	267,442,877.09
Quality Houses Plc. and subsidiaries	107,407,912.59	141,371,936.92
Total	<u>353,767,105.90</u>	<u>408,814,814.01</u>

16. EARNINGS PER SHARE

For three months ended September 30, 2003			
	Profit (Baht)	Number of share	Baht/share
Basic earnings per share			
Net profit of common shares	57,321,444.18	753,000,000	0.08
Effects of diluted potential common share			
- Exercise rights		44,017,766	
Diluted earnings per share			
Profit of common shareholders			
assumed as conversion to			
common share	57,321,444.18	797,017,766	0.07

For nine months ended September 30, 2003			
	Profit (Baht)	Number of share	Baht/share
Basic earnings per share			
Net profit of common shares	130,947,230.90	751,351,648	0.17
Effects of diluted potential common share			
- Exercise rights		44,017,766	
Diluted earnings per share			
Profit of common shareholders			
assumed as conversion to			
common share	130,947,230.90	795,369,414	0.16

As at September 30, 2002, the convertible price of warrants are higher than the market value, therefore, there are no effects to the diluted earnings per share.

17. COMMITMENT AND CONTINGENT LIABILITIES

The Company has commitment on bank and financial institutions of guarantee for leasing, purchased goods or hire of work and collateral against to the government agencies as at September 30, 2003 and December 31, 2002 of Baht 33.25 million and Baht 27.95 million, respectively.

18. DIVIDEND PAID

According to the minutes of shareholders' general meeting for the year 2003 held on April 25, 2003, the Company passed the resolution to pay dividend for the year 2002 at the rate of Baht 0.06 per share totalling of Baht 45 million which was paid in May 2003.

19. WARRANTS

As the shareholders' ordinary meeting held on April 26, 2002, passed the resolution to issue warrant at the ratio of 1 unit of warrant for 1 common share with the exercise price of Baht 3.00 for 1 new common share which are matured on July 25, 2005.

On May 30, 2003, the warrant holders had exercise right on conversion of warrants for 3 million units.

As at September 30, 2003, the remaining warrants are as follows :

Number of warrants brought forward	187,500,000	Units
The number of exercised warrants up to		
September 30, 2003	3,000,000	Units
Balance number of warrants	<u>184,500,000</u>	Units

The aforementioned exercise right resulted increasing in common shares and premium on share capital of Baht 3 million and Baht 6 million, respectively.