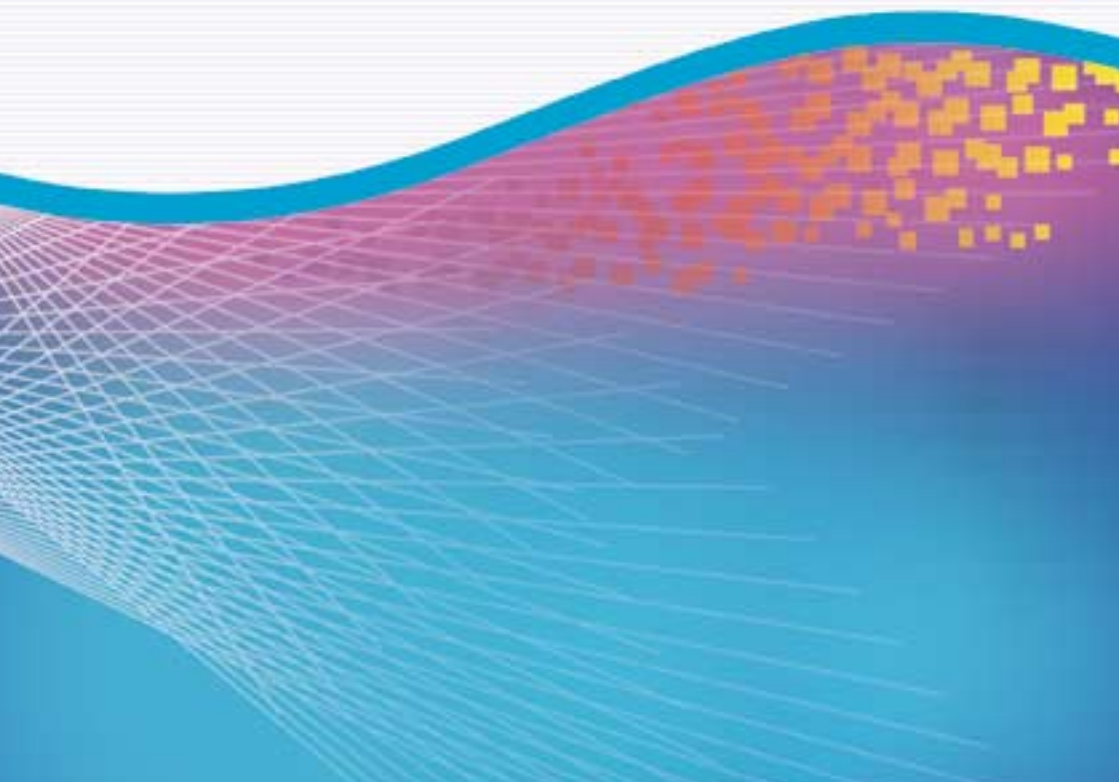


Third Quarterly Report

2002

ACROSSASIA MULTIMEDIA LIMITED

(Incorporated in the Cayman Islands with limited liability)



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

The Stock Exchange takes no responsibility for the contents of this report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the Directors of AcrossAsia Multimedia Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

THIRD QUARTERLY REPORT FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2002

HIGHLIGHTS

- AAM Group achieved a positive EBITDA (excluding other income and other expenses) for three consecutive quarters; EBITDA reached HK\$13.8 million for the Nine-month Period compared to a negative EBITDA of HK\$62.8 million for the corresponding period in 2001.
- Loss from continuing operations substantially reduced by HK\$75.5 million to HK\$14.8 million (including foreign exchange gain of HK\$40.3 million) for the Nine-month Period from HK\$90.3 million for the corresponding period in 2001.
- AAM Group's turnover lowered by 11% to HK\$467.1 million compared to the same period in 2001 as a result of lower turnover of the project-based IT Solutions business and the discontinuation of the e-commerce business (the latter reduced revenue by HK\$30.5 million). The lower revenue was offset by the 40.5% increase in turnover of the Broadband Services and Cellular Services.
- Ongoing cost control program resulted in reduction of operating expenses by a significant 33.9% to HK\$162.4 million compared to the corresponding period in 2001.
- Net loss significantly reduced by HK\$99.6 million or 71.4% to HK\$39.9 million from HK\$139.5 million for the same period in 2001.

THIRD QUARTERLY RESULTS (UNAUDITED)

The Directors of AcrossAsia Multimedia Limited (the “Company”) are pleased to present the unaudited consolidated results of the Company and its subsidiaries (collectively the “AAM Group”) for the nine months ended 30th September 2002 (the “Nine-month Period”) and three months ended 30th September 2002 together with comparative figures for the corresponding periods ended 30th September 2001, as follows:

	Notes	Nine months ended 30th September (Restated)		Three months ended 30th September (Restated)	
		2002 HK\$'000	2001 HK\$'000	2002 HK\$'000	2001 HK\$'000
Continuing Operations					
Turnover	2	466,604	494,457	149,501	174,091
Cost of sales and services rendered		(377,650)	(405,115)	(119,854)	(150,313)
Gross profit		88,954	89,342	29,647	23,778
Other income		52,501	38,524	8,174	36,252
Other expenses		(682)	—	(269)	—
Selling and distribution expenses		(27,303)	(33,152)	(9,129)	(8,040)
General and administrative expenses		(128,296)	(185,008)	(44,554)	(40,979)
Profit (Loss) from continuing operations	2	(14,826)	(90,294)	(16,131)	11,011
Interest income		9,602	6,650	3,689	1,926
Interest expense		(53,293)	(24,935)	(23,030)	(17,508)
Loss from continuing operations before share of profit of associates		(58,517)	(108,579)	(35,472)	(4,571)
Discontinued Operation					
Turnover	2	503	30,992	—	5,963
Cost of sales		(372)	(21,550)	—	(4,310)
Gross profit		131	9,442	—	1,653
Other income		2,272	1,376	44	—
Other expenses		(74)	—	—	(38)
Selling and distribution expenses		(10)	(8,610)	—	(2,404)
General and administrative expenses		(6,833)	(19,037)	(53)	(7,395)

	Notes	Nine months ended 30th September		Three months ended 30th September	
		(Restated)		(Restated)	
		2002 HK\$'000	2001 HK\$'000	2002 HK\$'000	2001 HK\$'000
Loss from discontinued operation	2	(4,514)	(16,829)	(9)	(8,184)
Interest income		4	160	—	16
Interest expense		(1,648)	(1,450)	(589)	(602)
Loss from discontinued operation before share of profit of associates		(6,158)	(18,119)	(598)	(8,770)
Loss before share of profit of associates		(64,675)	(126,698)	(36,070)	(13,341)
Share of profit of associates	8	37,138	7,913	2,362	666
Loss before taxation	8	(27,537)	(118,785)	(33,708)	(12,675)
Taxation	4 & 8	(7,304)	(21,107)	1,918	(16,217)
Loss from ordinary activities but before minority interests	8	(34,841)	(139,892)	(31,790)	(28,892)
Minority interests	8	(5,009)	346	10,268	(3,824)
Loss attributable to shareholders	8	(39,850)	(139,546)	(21,522)	(32,716)
Loss per share					
– Basic (HK cents)	5 & 8	(0.79)	(2.76)	(0.42)	(0.65)

Notes:

1. Basis of presentation

The Company was incorporated in the Cayman Islands on 6th March 2000 as an exempted company with limited liability under the Companies Law (1998 Revision) of the Cayman Islands. The Company's shares have been listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM") since 13th July 2000. The unaudited consolidated results have been prepared in accordance with International Financial Reporting Standards, as published by the International Accounting Standards Board, which are supplemented by the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the GEM (the "GEM Listing Rules"). Significant transactions and balances among the companies comprising AAM Group have been eliminated on consolidation.

2. Segment information

An analysis of AAM Group's results from operations for the Nine-month Period by business segment is as follows:

	Broadband Services HK\$'000	Cellular Services HK\$'000	IT Solutions HK\$'000	Retail HK\$'000	Others HK\$'000	Total HK\$'000
Turnover						
– Continuing	147,062	15,064	304,478	–	–	466,604
– Discontinued	–	–	–	503	–	503
Total	147,062	15,064	304,478	503	–	467,107
Profit (Loss) from operations						
– Continuing	16,605	(10,350)	5,499	–	(26,580)	(14,826)
– Discontinued	–	–	–	(4,514)	–	(4,514)
Total	16,605	(10,350)	5,499	(4,514)	(26,580)	(19,340)
Depreciation of property and equipment	43,986	15,458	10,145	2,807	373	72,769
Bad debts expense/Provision for doubtful debts	1,254	25	–	–	–	1,279
Amortisation of goodwill/intangible assets	–	–	836	8,774	–	9,610

An analysis of AAM Group's results of operations for the corresponding period in 2001 by business segment is as follows:

	Broadband Services HK\$'000	Cellular Services HK\$'000	IT Solutions HK\$'000	Retail HK\$'000	Others HK\$'000	Total HK\$'000
Turnover						
– Continuing	105,715	9,646	379,096	–	–	494,457
– Discontinued	–	–	–	30,992	–	30,992
Total	105,715	9,646	379,096	30,992	–	525,449
Profit (Loss) from operations						
– Continuing	(40,570)	3,767	253	–	(53,744)	(90,294)
– Discontinued	–	–	–	(16,829)	–	(16,829)
Total	(40,570)	3,767	253	(16,829)	(53,744)	(107,123)
Depreciation of property and equipment	35,001	6,676	6,360	6,251	681	54,969
Bad debts expense/Provision for doubtful debts	1,923	–	3	–	–	1,926
Amortisation of goodwill/intangible assets	–	–	694	8,141	7,848	16,683

3. An analysis of turnover by geographical location

All revenue of AAM Group for the Nine-month Period was derived from Indonesian operations.

4. Taxation

Taxation (consolidated) consisted of:

	Nine months ended 30th September (Restated)		Three months ended 30th September (Restated)	
	2002 HK\$'000	2001 HK\$'000	2002 HK\$'000	2001 HK\$'000
(Provision for) Write back of current taxation				
– AAM Group	53	(3,776)	(64)	456
– Associates (Note 8)	(6,038)	(8,079)	(2,060)	(7,869)
	(5,985)	(11,855)	(2,124)	(7,413)
(Provision for) Write-back of deferred taxation				
– AAM Group	2,031	(6,133)	4,766	(9,161)
– Associates (Note 8)	(3,350)	(3,119)	(724)	357
	(1,319)	(9,252)	4,042	(8,804)
	(7,304)	(21,107)	1,918	(16,217)

During the Nine-month Period covered by this Report, substantially all of AAM Group's profit (loss) was derived from subsidiaries and associates incorporated and operating in Indonesia. These subsidiaries and associates were subject to Indonesian income tax at a maximum of 30% of the individual entities' respective assessable profits in accordance with the Indonesian income tax law. No provision for Hong Kong profits tax was made as AAM Group had no assessable profits arising in or derived from Hong Kong. No Indonesian income tax was provided for the discontinued operation, as it had no assessable profit.

5. Loss per share

The calculation of basic loss per share is based on the loss attributable to shareholders for the Nine-month Period of approximately HK\$39,850,000 (2001 – HK\$139,546,000) and on the weighted average of approximately 5,064,615,000 shares (2001 – 5,064,615,000 shares) in issue.

Diluted loss per share for the Nine-month Period and the corresponding period in 2001 is not presented because the effect of the outstanding employee share options was anti-dilutive.

6. Movements of reserves

	Share premium HK\$'000	Equity reserve HK\$'000	Capital of associates HK\$'000	Cumulative translation adjustments HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Balance as at 1st January 2001	32,877	1,464,802	782	(687,416)	(478,117)	332,928
Loss attributable to shareholders	–	–	–	–	(216,460)	(216,460)
Translation adjustments	–	–	–	(36,288)	–	(36,288)
Balance as at 31st December 2001	32,877	1,464,802	782	(723,704)	(694,577)	80,180
Loss attributable to shareholders	–	–	–	–	(39,850)	(39,850)
Translation adjustments	–	–	–	69,762	–	69,762
Balance as at 30th September 2002	32,877	1,464,802	782	(653,942)	(734,427)	110,092

7. Revision of figures

The revision to certain figures in the Half-year Report 2002 of the Company as published in the Company's announcement dated 27th September 2002 has been reflected.

8. Comparative figures

Certain comparative figures have been reclassified to conform to the Nine-month Period's presentation. Certain comparative figures have also been restated due to a re-allocation adjustment to reflect the fairest value of merchandise inventory made by PT Matahari Putra Prima Tbk ("Matahari"), an associate of AAM Group.

FINANCIAL REVIEW

Continuing Operations

Turnover

Turnover of the three core Business Groups, Broadband Services, Cellular Services and IT Solutions, decreased by 5.6% to HK\$466.6 million for the Nine-month Period compared to HK\$494.5 million for the same period in 2001.

For the Nine-month Period, Broadband Services' revenue increased by 39.1% to HK\$147.1 million from HK\$105.7 million for the corresponding period in 2001. Cellular Services recorded revenue of HK\$15.1 million, an

increase of 56.2% compared to the corresponding period in 2001, from the GSM 1800 cellular operations that commenced in East Java in April 2001. Revenue from project-based IT Solutions lowered to HK\$304.5 million compared to HK\$379.1 million for the same period in 2001.

Gross Profit

Gross profit remained at HK\$89.0 million for the Nine-month Period compared to HK\$89.3 million for the corresponding period in 2001.

Gross profit margin slightly increased to 19.1% for the Nine-month Period compared to 18.1% for the same period in 2001.

Profit (Loss) from Continuing Operations

Total operating expenses (excluding other expenses) showed a significant reduction by 28.7% to HK\$155.6 million for the Nine-month Period compared to HK\$218.2 million for the same period in 2001, demonstrating that AAM Group's ongoing restructuring and tight cost control measures continued to bear fruits.

Corporate headquarters cost reduced by 46.5% to HK\$29.0 million for the Nine-month Period compared to HK\$54.2 million for the same period in 2001.

Other income of HK\$52.5 million for the Nine-month Period was mainly attributable to foreign exchange gain and gain from disposal of property and equipment.

AAM Group's loss from continuing operations reduced substantially to HK\$14.8 million for the Nine-month Period in comparison with HK\$90.3 million for the same period in 2001.

For the Nine-month Period, Broadband Services' operating results had turned into a profit of HK\$16.6 million from a loss of HK\$40.6 million for the same period of 2001, while Cellular Services recorded a loss of HK\$10.4 million against a profit of HK\$3.8 million for the same period in 2001 due to foreign exchange fluctuation. IT Solutions enjoyed a HK\$5.2 million increase in operating profit to HK\$5.5 million for the Nine-month Period from HK\$0.3 million for the same period in 2001.

Loss from Discontinued Operation

PT Lippo Shop discontinued its operations in November 2001. The costs of winding down the unit in the Nine-month Period resulted in a loss from discontinued operation of HK\$4.5 million. For the corresponding period in 2001, the unit recorded HK\$31.0 million in revenue and a loss from operations of HK\$16.8 million.

EBITDA

AAM Group achieved a positive EBITDA (excluding other income and other expenses) for each the first three consecutive quarters this year totalling HK\$13.8 million compared to a negative EBITDA of HK\$62.8 million for the same period in 2001.

Share of Profit of Associates

AAM Group's share of profit of associates increased to HK\$37.1 million for the Nine-month Period compared to HK\$7.9 million for the same period in 2001.

Loss attributable to Shareholders

Loss attributable to shareholders of AAM Group for the Nine-month Period diminished substantially by 71% to HK\$39.9 million compared to HK\$139.5 million for the same period in 2001.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Nine-month Period (2001 — Nil).

BUSINESS REVIEW

The management has dedicated to achieving profitability at the earliest time through fostering of AAM Group's four core Business Groups and tightening of its expenditures.

Broadband Services

Broadband Services offers corporate and residential consumer broadband services, including cable TV, broadband Internet access and other network services. The HFC cable network has extended to 2,532km, covering major residential and central business districts in five cities/locales including Jakarta, Surabaya and Bali and passing more than 213,000 homes.

PT Broadband Multimedia Tbk (“Broadband Multimedia”) maintains its solid position as the dominant cable TV operator in Indonesia offering 60 channels of programming under the brand name “Kabelvision”. Broadband Multimedia continues to enhance its content offerings and hence revenue through securing more content distribution rights.

The number of cable TV subscribers increased by 10% to 73,229 as at 30th September 2002 compared to that as at 30th June 2002. A similar increase in the total number of corporate and individual broadband Internet subscribers was also recorded during the quarter.

Cellular Services

Cellular Services has a GSM 1800 cellular network in East Java under PT Natrindo Telepon Seluler (“Natrindo”) and has been exploring opportunities to become a nationwide cellular operator. Natrindo’s network is capable of delivering both voice and data communication services. It has over 600 sales distribution outlets and has established direct interconnections and inter-operator SMS with all GSM operators in Indonesia, and international roaming with Hong Kong, India, Malaysia, Philippines, Singapore and Thailand. It has activated 68,000 subscribers as of 30th September 2002.

IT Solutions

IT Solutions is a leading provider of IT system integration and solution services to the financial services industry. It is expanding into cross-industry sectors including telecommunications, gas & oil exploration, retail and manufacturing as well as higher value-added business solutions, consulting and outsourcing services. Its implementation of the ESP (Enterprise Services Provider) model in cooperation with Oracle further strengthens its leading position.

Retail

Matahari, an associate of AAM Group, is the top retail brand and the largest publicly listed modern retailer in Indonesia. It operates 76 department stores and 62 supermarkets in over 36 cities, offering one-stop shopping to middle and upper-income families with a customer base of over 10 million people nationwide. In September 2002, it has successfully raised Rp450 billion (approximately HK\$389 million) by way of a bond issue primarily for financing its accelerated growth of stores to capture the potential market and for renovation of certain existing stores.

PROSPECTS

AAM Group will continue its concentration on the four core Business Groups: Broadband Services, Cellular Services, IT Solutions and Retail. It aims at preserving and attaining leading positions in those businesses while prudently seeking out strategic opportunities in the Asia region. The completion of the restructuring of non-core business that started in 2001 has laid a sound foundation for the goals.

AAM Group is devoted to improving its efficiency and cost effectiveness through tight control of operating and capital expenditures and other management measures in quest for profitability and enhancement of Shareholders' value.

DISCLOSURE OF INTERESTS IN SECURITIES

(1) Directors and Chief Executive

As at 30th September 2002, the interests of the Directors and the chief executive of the Company in the securities of the Company and its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance")) as recorded in the register required to be kept by the Company under Section 29 of the SDI Ordinance or as otherwise notified to the Company and the Stock Exchange under Rule 5.40 of the GEM Listing Rules were as follows:

(i) *Interests in Securities of the Company and Associated Corporations*

As at 30th September 2002, none of the Directors or the chief executive of the Company were interested in any equity or debt securities of the Company or any of its associated corporations.

(ii) *Rights to Acquire Shares of the Company*

Pursuant to the Pre-IPO Share Option Plan of the Company (the "Pre-IPO Plan"), the Directors and the chief executive of

the Company were granted on 23rd June 2000 (the “Grant Date”) options to subscribe for shares of the Company at a subscription price of HK\$3.28 per share as follows:

Name	Number of underlying shares		Outstanding as of 30th September 2002
	Granted	Lapsed	
Dr. Cheng Wen Cheng	13,150,000	—	13,150,000 (Note 1)
Mr. Richard Arthur Woolcott	3,546,000	—	3,546,000 (Note 2)
Mr. Stephen Hung	2,364,000	—	2,364,000 (Note 3)
Mr. Kwok Ming Cheung	2,364,000	—	2,364,000 (Note 3)
Mr. Marshall Wallace Cooper	355,000	—	355,000 (Note 4)
Total	21,779,000	—	21,779,000

Notes:

- 1,330,000 shares shall become exercisable from 14th January 2001; 2,364,000 shares shall become exercisable from each of 1st June 2001, 1st June 2002, 1st June 2003, 1st June 2004 and 1st June 2005.*
- 354,600 shares shall become exercisable from each of 14th January 2001 and 1st April 2001; 709,200 shares shall become exercisable from each of 1st April 2002, 1st April 2003, 1st April 2004 and 1st April 2005.*
- 236,400 shares shall become exercisable from each of 14th January 2001 and 1st April 2001; 472,800 shares shall become exercisable from each of 1st April 2002, 1st April 2003, 1st April 2004 and 1st April 2005.*
- 35,500 shares shall become exercisable from each of 14th January 2001 and 1st April 2001; 71,000 shares shall become exercisable from each of 1st April 2002, 1st April 2003, 1st April 2004 and 1st April 2005.*

5. *Mr. Christopher James Williams resigned as a Director of the Company with effect from 11th March 2002. As a result, his option to subscribe for 1,891,200 shares lapsed with effect from 11th March 2002. His remaining option to subscribe for 472,800 shares was waived by him on 21st May 2002.*
6. *Mr. Canning Kin Ning Fok resigned as a Director of the Company with effect from 12th March 2002. As a result, his option to subscribe for 5,672,800 shares and 1,418,200 shares lapsed with effect from 12th March 2002 and 11th September 2002 respectively.*
7. *Mr. Davy Kwok Fai Lee resigned as a Director of the Company with effect from 14th May 2002. Pursuant to the Pre-IPO Plan, he is still entitled to his share options in the following manner: 236,400 shares shall become exercisable from each of 14th January 2001 and 1st April 2001; 472,800 shares shall become exercisable from each of 1st April 2002, 1st April 2003, 1st April 2004 and 1st April 2005.*
8. *Mr. Gerard Joseph McMahon retired as a Director of the Company with effect from 14th May 2002. As a result, his option to subscribe for 1,418,400 shares lapsed with effect from 14th May 2002 and his remaining option to subscribe for 945,600 shares shall lapse on 13th November 2002.*
9. *The exercise period for all such shares (except those mentioned in Notes 5, 6, and 8) shall end 10 years from the Grant Date (the "Expiry Date").*

The share option scheme of the Company adopted on 22nd June 2000 (the "2000 Scheme") was terminated on 15th May 2002. No options had been granted to the Directors and the chief executive of the Company under the 2000 Scheme. A new share option scheme of the Company was adopted on 14th May 2002 (the "2002 Scheme") under which the Directors and other persons (including employees of AAM Group) may be granted on or after 15th May 2002 options to subscribe for shares of the Company subject to the terms and conditions stipulated in the 2002 Scheme. No options had been granted to the Directors and the chief executive of the Company under the 2002 Scheme as at 30th September 2002.

Save as disclosed herein, as at 30th September 2002, none of the Directors nor the chief executive of the Company nor their spouses or children under 18 years of age was granted or had exercised any right to subscribe for any equity or debt securities of the Company.

(2) Substantial Shareholders

As at 30th September 2002, according to the register required to be kept under Section 16(1) of the SDI Ordinance, the persons (other than the Directors or the chief executive of the Company) who were, directly or indirectly, interested in 10% or more of the issued share capital of the Company were as follows:

Name	Number of shares	Approximate percentage
Cyport Limited	2,811,257,218	55.51
Lippo Cayman Limited (<i>Note</i>)	3,481,769,218	68.75
Lanius Limited (<i>Note</i>)	3,481,769,218	68.75

Note:

The sole shareholder of Cyport Limited ("Cyport") was Lippo Cayman Limited ("Lippo Cayman") and the sole shareholder of Lippo Cayman was Lanius Limited ("Lanius"). The shares in which Lippo Cayman and Lanius were indirectly interested included the shares held by Cyport.

(3) Management Shareholders

Save for the substantial shareholders and Mideast Pacific Strategic Holdings Limited which held 219,600,000 shares of the Company as at 30th September 2002, the Directors are not aware of any persons who, as at 30th September 2002, were entitled to exercise or control the exercise of 5% or more of the voting power at general meetings of the Company and were able, as a practical matter, to direct or influence the management of the Company.

SHARE OPTIONS

(1) Pre-IPO Plan

Pursuant to the Pre-IPO Plan, 22 employees of AAM Group (other than the Directors of the Company) were granted on the Grant Date options to subscribe for an aggregate of 17,144,000 shares of the Company at a subscription price of HK\$3.28 per share. The highest number of shares underlying the outstanding options granted to any one participant (other than the Directors of the Company) under the Pre-IPO Plan as at 30th September 2002 was 1,182,000. The option for each grantee is exercisable in accordance with the Pre-IPO Plan at any time during a period commencing from the respective commencement dates and ending on the Expiry Date in accordance with the following schedule:

Commencement date	Percentage of underlying shares
14th January 2001	10
1st April 2001	10
1st April 2002	20
1st April 2003	20
1st April 2004	20
1st April 2005	20

Options granted under the Pre-IPO Plan in respect of 40,245,400 shares of the Company (representing approximately 0.79% of the enlarged issued share capital thereof) were outstanding as at 30th September 2002. Options granted under the Pre-IPO Plan to subscribe for an aggregate of 34,013,600 shares were lapsed as at 30th September 2002.

(2) 2000 Scheme

Pursuant to the 2000 Scheme, 11 employees of AAM Group (other than the Directors of the Company) were granted options to subscribe for an aggregate of 10,635,676 shares of the Company on the respective dates of grant as shown in the following schedule:

Date of grant	No. of employees	Commencement date	Subscription price (HK\$)	Approximate percentage of underlying shares per option
17th January 2001	1	1st July 2001	3.11	33.4
		1st July 2002		33.3
		1st July 2003		33.3
17th January 2001	5	17th January 2002	3.11	50
		17th January 2003		50
11th May 2001	1	10th April 2002	2.42	30
		10th April 2003		30
		10th April 2004		40
14th August 2001	1	14th August 2001	1.80	100
4th September 2001	1	4th March 2002	1.266	100
28th December 2001	1	28th December 2001	0.5	100
28th December 2001	1	28th December 2002	0.5	50
		28th December 2003		50

No options granted under the 2000 Scheme were outstanding as at 30th September 2002 since all remaining options in respect of 3,914,341 shares of the Company granted under the 2000 Scheme lapsed on 15th June 2002 (apart from options in respect of 6,721,335 shares lapsed before) following the termination of the 2000 Scheme.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Pre-IPO Plan and the 2002 Scheme must not exceed 30% of the total issued shares of the Company from time to time.

Save as disclosed herein, no options to subscribe for shares of the Company have been granted, exercised, lapsed, cancelled or re-issued since the listing of the Company's shares on GEM and up to the date of this Report under the Pre-IPO Plan, the 2000 Scheme and the 2002 Scheme. Summaries of the principal terms of the Pre-IPO Plan and the 2000 Scheme were set out in the Prospectus and a summary of the principal terms of the 2002 Scheme was set out in the Company's Circular dated 28th March 2002.

SPONSOR'S INTEREST

As updated and notified by the Company's sponsor, BNP Paribas Peregrine Capital Limited (the "Sponsor"), as at 30th September 2002, an associate of the Sponsor held 250 shares in PT Multipolar Corporation Tbk.

Save as disclosed above, neither the Sponsor nor its directors or employees or associates (as referred to in Note 3 to Rule 6.35 of the GEM Listing Rules) had any interests in the securities of the Company or any members of the Group, or any right to subscribe for or to nominate persons to subscribe for the securities of the Company or any members of the Group.

Pursuant to a Sponsor Agreement dated 6th July 2000 between the Company and the Sponsor, the Sponsor is entitled to receive a fee for acting as the Company's sponsor for the period from 13th July 2000 to 31st December 2002.

COMPETING INTERESTS

Mr. Canning Kin Ning Fok, who resigned as a non-executive Director on 12th March 2002, is the group managing director of Hutchison Whampoa Limited ("Hutchison"), a company whose shares are listed on the Main Board of the Stock Exchange. Hutchison is the holding company of a group of companies which carry on a diverse range of businesses including telecommunications and e-commerce, owning and operating Internet and

telecommunications infrastructure, and offering or planning to offer related services. With the businesses of AAM Group in Asia covering broadband services, cellular services, IT solutions and retail, AAM Group might have had competition with Hutchison during the period from 1st January 2002 to 11th March 2002.

The Lippo Group (a general reference to the companies (including Lippo Cayman) in which Dr. Mochtar Riady and his family have a direct or indirect interest; the Lippo Group is not a legal entity and does not operate as one; each of the companies in the Lippo Group operates within its own legal, corporate and financial framework) might have had or developed interests in other technology related business, including telecommunications in Hong Kong and other parts in Asia during the Nine-month Period. There was a chance that such businesses might have competed with AAM Group during the Nine-month Period.

Save as disclosed herein, the Directors are not aware of any business or interest of the Directors, the management shareholders and their respective associates (as defined under the GEM Listing Rules) that have competed or may compete with the business of AAM Group and any other conflicts of interests which any such person had or may have with AAM Group.

AUDIT COMMITTEE

The Company established an audit committee on 23rd June, 2000 with written terms of reference in accordance with Rules 5.23 and 5.24 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of AAM Group. The audit committee has met three times during the Nine-month Period.

BOARD PRACTICES AND PROCEDURES

The Company has complied with Rules 5.28 to 5.39 of the GEM Listing Rules regarding board practices and procedures throughout the Nine-month Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Nine-month Period, there was no purchase, sale or redemption of securities of the Company by the Company or any of its subsidiaries.

By Order of the Board
Richard Woolcott
Chairman

Hong Kong, 13th November 2002