

Precious Shipping Public Company Limited  
and subsidiaries  
Review report and interim financial statements  
For the three-month period ended  
31 March 2013

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Precious Shipping Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Precious Shipping Public Company Limited and its subsidiaries as at 31 March 2013, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Precious Shipping Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Sumalee Reewarabandith  
Certified Public Accountant (Thailand) No. 3970

Ernst & Young Office Limited  
Bangkok: 29 April 2013

Precious Shipping Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2013	31 December 2012	31 March 2013	31 December 2012
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,741,470	1,901,015	789,691	646,276
Current investment	3	-	-	-	-
Trade and other receivables	4, 5	259,916	216,784	1,268,632	1,088,380
Short-term loans to a subsidiary	6	-	-	1,811,265	2,352,507
Current portion of advances for vessel constructions	14	33,514	482,996	33,514	391,959
Bunker oil		105,011	146,752	-	-
Other current assets					
Advances to vessel masters		111,425	103,108	-	-
Claim recoverables		24,997	23,720	-	-
Others		53,879	67,071	11,471	44,848
Total other current assets		190,301	193,899	11,471	44,848
<b>Total current assets</b>		<b>2,330,212</b>	<b>2,941,446</b>	<b>3,914,573</b>	<b>4,523,970</b>
<b>Non-current assets</b>					
Investments in subsidiaries	8	-	-	6,699,592	7,002,038
Investment in joint venture	9	-	-	-	-
Investment in associate held by a subsidiary	10	105,729	104,694	-	-
Other long-term investment		7,626	7,971	7,626	7,971
Long-term loans to jointly controlled entity	7	-	-	-	410,035
Long-term loans to a subsidiary	7	-	-	475,853	-
Receivables from cross currency swap contracts		130,037	84,132	-	-
Property, plant and equipment	11	16,432,025	16,212,572	7,860	7,859
Intangible assets	12	10,143	12,856	10,105	12,813
Other non-current assets					
Claim recoverables - maritime claims		33,758	45,635	-	-
Advances for vessel purchases	13	88,658	-	-	-
Advances for vessel constructions - net of current portion	14	4,586,593	4,459,352	3,489,946	3,858,844
Deferred financial fees	15	113,898	125,212	86,973	100,561
Deferred contract costs	19.4	81,338	32,806	-	-
Others		3,026	3,016	2,396	2,396
Total other non-current assets		4,907,271	4,666,021	3,579,315	3,961,801
<b>Total non-current assets</b>		<b>21,592,831</b>	<b>21,088,246</b>	<b>10,780,351</b>	<b>11,402,517</b>
<b>Total assets</b>		<b>23,923,043</b>	<b>24,029,692</b>	<b>14,694,924</b>	<b>15,926,487</b>

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

Precious Shipping Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 March 2013	31 December 2012	31 March 2013	31 December 2012
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables					
		34,421	1,722	1,090	6
	5	-	-	2,164,310	2,626,665
		75,429	74,210	-	-
		140,087	133,738	1,983	3,775
		27,634	44,223	25,511	40,890
		277,571	253,893	2,192,894	2,671,336
		42,049	34,324	-	-
	16	1,121,855	801,969	221,822	481,890
		423	4,432	-	-
Other current liabilities					
		4,111	11,048	2,908	9,722
		14,941	13,775	5,061	5,119
		19,052	24,823	7,969	14,841
		1,460,950	1,119,441	2,422,685	3,168,067
<b>Non-current liabilities</b>					
		-	22,986	-	21,227
	16	8,206,100	8,265,022	349,532	712,681
		51,440	67,699	-	-
		71,864	70,312	65,788	64,298
		8,329,404	8,426,019	415,320	798,206
		9,790,354	9,545,460	2,838,005	3,966,273

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

**Precious Shipping Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>31 March 2013</b>	<b>31 December 2012</b>	<b>31 March 2013</b>	<b>31 December 2012</b>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered share capital				
1,039,520,600 ordinary shares of Baht 1 each	1,039,521	1,039,521	1,039,521	1,039,521
Issued and paid-up share capital				
1,039,520,600 ordinary shares of Baht 1 each	1,039,521	1,039,521	1,039,521	1,039,521
Paid-in capital				
Premium on ordinary shares	411,430	411,430	411,430	411,430
Premium on treasury stock	172,446	172,446	172,446	172,446
Retained earnings				
Appropriated				
Statutory reserve - the Company	103,952	103,952	103,952	103,952
- subsidiaries	518,120	518,120	-	-
Corporate social responsibility reserve	16,334	14,951	16,334	14,951
Unappropriated	14,469,005	14,193,833	11,111,498	10,694,210
Other components of shareholders' equity	(2,599,285)	(1,971,249)	(998,262)	(476,296)
Equity attributable to owners of the Company	14,131,523	14,483,004	11,856,919	11,960,214
Non-controlling interests of the subsidiaries	1,166	1,228	-	-
<b>Total shareholders' equity</b>	<b>14,132,689</b>	<b>14,484,232</b>	<b>11,856,919</b>	<b>11,960,214</b>
<b>Total liabilities and shareholders' equity</b>	<b>23,923,043</b>	<b>24,029,692</b>	<b>14,694,924</b>	<b>15,926,487</b>
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The accompanying notes are an integral part of the financial statements.

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Directors  
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(Unaudited but reviewed)

**Precious Shipping Public Company Limited and its subsidiaries****Income statement****For the three-month period ended 31 March 2013**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
<b>Revenues</b>					
Vessel operating income					
Hire income		571,903	445,746	-	-
Freight income		306,805	341,805	-	-
Total vessel operating income		878,708	787,551	-	-
Service income	5	5,000	1,358	21,224	15,707
Gains on novation/cancellation of shipbuilding contracts	14	412,515	-	390,374	-
Interest income	5	1,631	6,972	2,454	6,829
Other income		21	2	21	2
Dividend received	5, 8	-	-	128,900	-
<b>Total revenues</b>		<b>1,297,875</b>	<b>795,883</b>	<b>542,973</b>	<b>22,538</b>
<b>Expenses</b>					
Vessel operating costs					
Vessel running expenses		364,043	265,212	-	-
Voyage disbursements		48,501	47,043	-	-
Bunker consumption		166,382	154,761	-	-
Total vessel operating costs		578,926	467,016	-	-
Depreciation	11	252,584	192,232	974	1,108
Cost of services		1,120	1,021	-	-
Administrative expenses	5	54,429	42,590	45,841	37,849
Management remuneration including perquisites	5	26,065	20,226	24,512	19,388
Bad debts and doubtful accounts (reversal)		(14,427)	19,279	-	-
Exchange losses		2,886	2,352	3,561	4,695
<b>Total expenses</b>		<b>901,583</b>	<b>744,716</b>	<b>74,888</b>	<b>63,040</b>
<b>Profit (loss) before share of profit (loss) from investment in associate, finance cost and income tax expenses</b>		<b>396,292</b>	<b>51,167</b>	<b>468,085</b>	<b>(40,502)</b>
Share of profit (loss) from investment in associate held by a subsidiary	10.1	5,081	(4,106)	-	-
<b>Profit (loss) before finance cost and income tax expenses</b>		<b>401,373</b>	<b>47,061</b>	<b>468,085</b>	<b>(40,502)</b>
Finance cost		(124,399)	(86,745)	(49,414)	(33,015)
<b>Profit (loss) before income tax expenses</b>		<b>276,974</b>	<b>(39,684)</b>	<b>418,671</b>	<b>(73,517)</b>
Income tax expenses		(427)	(732)	-	-
<b>Profit (loss) for the period</b>		<b>276,547</b>	<b>(40,416)</b>	<b>418,671</b>	<b>(73,517)</b>

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

(Unaudited but reviewed)

**Precious Shipping Public Company Limited and its subsidiaries**

**Income statement (continued)**

**For the three-month period ended 31 March 2013**

(Unit: Thousand Baht)

	Note	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2013	2012	2013	2012
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		276,555	(40,957)	418,671	(73,517)
Non-controlling interests of the subsidiaries		(8)	541	-	-
<b>Profit (loss) for the period</b>		<u>276,547</u>	<u>(40,416)</u>	<u>418,671</u>	<u>(73,517)</u>

(Unit: Baht)

	17				
<b>Basic earnings (loss) per share</b>					
Profit (loss) attributable to equity holders of the Company		<u>0.27</u>	<u>(0.04)</u>	<u>0.40</u>	<u>(0.07)</u>

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

(Unaudited but reviewed)

**Precious Shipping Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the three-month period ended 31 March 2013**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2013	2012	2013	2012
<b>Profit (loss) for the period</b>	<u>276,547</u>	<u>(40,416)</u>	<u>418,671</u>	<u>(73,517)</u>
<b>Other comprehensive income:</b>				
Exchange differences on translation of foreign operation's financial statements	2,045	6,565	-	-
Exchange differences on translation of functional currency to presentation currency financial statements	<u>(630,135)</u>	<u>(412,651)</u>	<u>(521,966)</u>	<u>(330,259)</u>
<b>Other comprehensive income for the period</b>	<u>(628,090)</u>	<u>(406,086)</u>	<u>(521,966)</u>	<u>(330,259)</u>
<b>Total comprehensive income for the period</b>	<u><u>(351,543)</u></u>	<u><u>(446,502)</u></u>	<u><u>(103,295)</u></u>	<u><u>(403,776)</u></u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	(351,481)	(446,158)	(103,295)	(403,776)
Non-controlling interests of the subsidiaries	<u>(62)</u>	<u>(344)</u>	<u>-</u>	<u>-</u>
	<u><u>(351,543)</u></u>	<u><u>(446,502)</u></u>	<u><u>(103,295)</u></u>	<u><u>(403,776)</u></u>

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



(Unaudited but reviewed)

**Precious Shipping Public Company Limited and its subsidiaries****Cash flow statement****For the three-month period ended 31 March 2013**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2013	2012	2013	2012
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	276,974	(39,684)	418,671	(73,517)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	254,765	194,525	3,153	3,398
Bad debts and doubtful accounts (reversal)	(14,427)	19,279	-	-
Write-off equipment	20	-	20	-
Gains on novation/cancellation of shipbuilding contracts	(412,515)	-	(390,374)	-
Write-off deferred financial fees due to cancellation of loan facility	5,438	5,765	5,438	5,765
Share of (profit) loss from investment in associate held by a subsidiary	(5,081)	4,106	-	-
Reversal of provisions for maritime claims	(3,466)	(1,466)	-	-
Provision for long-term employee benefits	1,547	1,452	1,486	1,400
Unrealised exchange losses	2,223	2,834	3,311	3,202
Amortised financial fees to interest expense	5,403	5,290	-	-
Interest expense	65,476	42,608	-	-
Interest income	(1,520)	(6,917)	(2,451)	(6,829)
Profit (loss) from operating activities before changes in operating assets and liabilities	174,837	227,792	39,254	(66,581)
Operating assets (increase) decrease				
Trade and other receivables	(38,643)	(26,283)	518,109	959,889
Bunker oil	35,789	(55,189)	-	-
Other current assets	(1,395)	(35,679)	32,723	3,817
Other non-current assets	(16,439)	(4,989)	-	-
Operating liabilities increase (decrease)				
Trade and other payables	35,277	30,575	(366,695)	(271,507)
Advances receivable from charterers	9,308	(33,472)	-	-
Other current liabilities	(4,750)	(9,611)	(6,541)	(9,014)
Non-current liabilities	(22,285)	(40,373)	(20,580)	(37,257)
Cash flows from operating activities	171,699	52,771	196,270	579,347
Cash paid for withholding tax deducted at source	(7,159)	(1,005)	(799)	(765)
<b>Net cash flows from operating activities</b>	<b>164,540</b>	<b>51,766</b>	<b>195,471</b>	<b>578,582</b>

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

(Unaudited but reviewed)

**Precious Shipping Public Company Limited and its subsidiaries****Cash flow statement (continued)****For the three-month period ended 31 March 2013**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2013	2012	2013	2012
<b>Cash flows from investing activities</b>				
Acquisitions of vessels and equipment and payment of dry-dock and special survey expenses	(602,361)	(1,365,980)	(1,339)	(442)
Cash paid for advances for vessel constructions and other direct costs	(303,539)	(401,002)	(227,648)	(158,719)
Cash paid for advances for vessel purchases	(88,658)	(511,996)	-	-
Cash received from novation/cancellation of shipbuilding contracts	789,747	-	591,089	-
Cash paid for acquisition of a subsidiary	(414,474)	-	(414,474)	-
Increase in investments in subsidiaries	-	-	-	(305,000)
Cash received from repayment of short-term loans to a subsidiary	-	-	444,430	307,116
Cash received from repayment of long-term loans to a subsidiary	-	-	168,884	-
Interest income	1,520	6,917	2,451	6,829
<b>Net cash flows from (used in) investing activities</b>	<b>(617,765)</b>	<b>(2,272,061)</b>	<b>563,393</b>	<b>(150,216)</b>
<b>Cash flows from financing activities</b>				
Cash paid for interest expense and commitment fee	(76,757)	(61,513)	(4,100)	(9,570)
Cash paid for deferred financial fees	(1,596)	(46,390)	-	(35,318)
Cash received from long-term loans	1,276,997	2,100,673	-	-
Repayment of long-term loans	(430,978)	(890,280)	(355,544)	(786,217)
Prepayment of long-term loans	(168,338)	-	-	-
Prepayment of long-term loans due to cancellation of loan facility	(225,178)	-	(225,178)	-
<b>Net cash flows from (used in) financing activities</b>	<b>374,150</b>	<b>1,102,490</b>	<b>(584,822)</b>	<b>(831,105)</b>
Decrease in translation adjustments	(82,236)	(119,572)	(30,627)	(68,982)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(161,311)</b>	<b>(1,237,377)</b>	<b>143,415</b>	<b>(471,721)</b>
Cash and cash equivalents at beginning of period	1,901,015	4,374,711	646,276	2,719,519
Increase cash from acquisition of a subsidiary	1,766	-	-	-
<b>Cash and cash equivalents at end of period</b>	<b>1,741,470</b>	<b>3,137,334</b>	<b>789,691</b>	<b>2,247,798</b>
<b>Supplemental cash flows information</b>				
Non-cash transactions				
Dividend income from subsidiaries offset against receivable from/payable to subsidiaries	-	-	128,900	-
Transfer of interest expense and commitment fee to advances for vessel constructions	10,500	28,913	3,332	9,007
Amortisation of financial fees to advances for vessel constructions	247	413	90	329
Transfer of deferred financial fees to present as a deduction from long-term loans	15,901	45,268	1,257	1,221
Transfer of deferred financial fees to subsidiaries in proportion to the loan drawdown amount	-	-	3,612	48,405
Transfer of advances for vessel constructions to vessels and equipment of subsidiaries	580,029	917,527	580,029	917,527
Transfer investment in jointly controlled entity to investment in subsidiary	-	-	33	-

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

(Unaudited but reviewed)

## Precious Shipping Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the three-month period ended 31 March 2013

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>												
Equity attributable to the parent's shareholders												
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury stock	Retained earnings			Unappropriated	Other components of shareholders' equity - other comprehensive income	Exchange differences on translation of financial statements	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated		Corporate social responsibility reserve						
				Statutory reserve								
			The Company	Subsidiaries								
<b>Balance as at 1 January 2012</b>	1,039,521	411,430	172,446	103,952	518,120	15,333	14,521,659	(1,459,091)	15,323,370	33,129	15,356,499	
Dividend payable to the Company's shareholders	-	-	-	-	-	-	(155,907)	-	(155,907)	-	(155,907)	
Total comprehensive income for the period	-	-	-	-	-	-	(40,957)	(405,201)	(446,158)	(344)	(446,502)	
Appropriated to corporate social responsibility reserve	-	-	-	-	-	438	(438)	-	-	-	-	
<b>Balance as at 31 March 2012</b>	<u>1,039,521</u>	<u>411,430</u>	<u>172,446</u>	<u>103,952</u>	<u>518,120</u>	<u>15,771</u>	<u>14,324,357</u>	<u>(1,864,292)</u>	<u>14,721,305</u>	<u>32,785</u>	<u>14,754,090</u>	
	-	-	-	-	-	-	-	-	-	-	-	
<b>Balance as at 1 January 2013</b>	1,039,521	411,430	172,446	103,952	518,120	14,951	14,193,833	(1,971,249)	14,483,004	1,228	14,484,232	
Total comprehensive income for the period	-	-	-	-	-	-	276,555	(628,036)	(351,481)	(62)	(351,543)	
Appropriated to corporate social responsibility reserve	-	-	-	-	-	1,383	(1,383)	-	-	-	-	
<b>Balance as at 31 March 2013</b>	<u>1,039,521</u>	<u>411,430</u>	<u>172,446</u>	<u>103,952</u>	<u>518,120</u>	<u>16,334</u>	<u>14,469,005</u>	<u>(2,599,285)</u>	<u>14,131,523</u>	<u>1,166</u>	<u>14,132,689</u>	
	-	-	-	-	-	-	-	-	-	-	-	
	- #	- #	- #	- #	- #	- #	- #	- #	- #	- #	- #	

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2013

(Unit: Thousand Baht)

	Separate financial statements							Other components of shareholders' equity - other comprehensive income	Total shareholders' equity	
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury stock	Retained earnings			Exchange differences on translation of financial statements			
				Statutory reserve	Appropriated					Unappropriated
					Corporate social responsibility reserve					
<b>Balance as at 1 January 2012</b>	1,039,521	411,430	172,446	103,952	15,333	10,624,884	(59,831)	12,307,735		
Dividend payable to the Company's shareholders	-	-	-	-	-	(155,907)	-	(155,907)		
Total comprehensive income for the period	-	-	-	-	-	(73,517)	(330,259)	(403,776)		
Appropriated to corporate social responsibility reserve	-	-	-	-	438	(438)	-	-		
<b>Balance as at 31 March 2012</b>	<u>1,039,521</u>	<u>411,430</u>	<u>172,446</u>	<u>103,952</u>	<u>15,771</u>	<u>10,395,022</u>	<u>(390,090)</u>	<u>11,748,052</u>		
	-	-	-	-	-	-	-	-		
<b>Balance as at 1 January 2013</b>	1,039,521	411,430	172,446	103,952	14,951	10,694,210	(476,296)	11,960,214		
Total comprehensive income for the period	-	-	-	-	-	418,671	(521,966)	(103,295)		
Appropriated to corporate social responsibility reserve	-	-	-	-	1,383	(1,383)	-	-		
<b>Balance as at 31 March 2013</b>	<u>1,039,521</u>	<u>411,430</u>	<u>172,446</u>	<u>103,952</u>	<u>16,334</u>	<u>11,111,498</u>	<u>(998,262)</u>	<u>11,856,919</u>		
	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-		

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

**Precious Shipping Public Company Limited and its subsidiaries**

**Notes to interim financial statement**

**For the three-month period ended 31 March 2013**

**1. General information**

**1.1 Corporate information**

Precious Shipping Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged as a holding company for investment in the marine transportation business. The registered office of the Company is at Cathay House, 7th Floor, 8 North Sathorn Road, Silom, Bangrak, Bangkok 10500.

**1.2 Basis for the preparation of the interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2009) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

These interim financial statements are presented in Thai Baht which is different from the functional currency of the Company, which is US Dollar. The presentation is in Thai Baht in accordance with the regulatory requirements in Thailand.

The USD functional currency interim financial statements are translated into the Thai Baht presentation currency financial statements at the rate of exchange prevailing at the end of reporting period in respect of assets and liabilities, and at a rate that approximates the actual rate at the date of the transaction in respect of revenues and expenses, differences being recorded as “Exchange differences on translation of financial statements” in other comprehensive income, other component of shareholders' equity.

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.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

### **1.3 Basis of consolidation**

These interim consolidated financial statements include the financial statements of Precious Shipping Public Company Limited, subsidiaries and associate (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2012, except below changes in the composition of the Group during the current period.

On 18 January 2013, the Company (“the Buyer”) completed the signing and the closing of a Share Sale and Purchase Agreement with Varada Marine Pte. Limited (“the Seller”) to purchase one ordinary share of jointly controlled entity, Associated Bulk Carriers Pte. Limited (“ABC Company”), at a par value of USD 1 each. On the Closing Date of 18 January 2013, the Company paid the purchase price of USD 1 per share equivalent to Baht 30.64 per share plus procured the repayment to the Seller of the outstanding shareholder loans advanced by the Seller to ABC Company from time to time of USD 13.99 million or equivalent to Baht 414.47 million. Therefore, ABC Company is now a wholly owned subsidiary of the Company since 18 January 2013 and is no longer the jointly controlled entity. The transaction was entered in accordance with a resolution of the Executive Board of Directors’ Meeting No.1/2013 held on 17 January 2013.

### **1.4 Application of new accounting standards during the period**

The Federation of Accounting Professions issued the following accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

TAS 20 (revised 2009) Accounting for Government Grants and Disclosure of  
Government Assistance

Financial Reporting Standard:

TFRS 8 Operating Segments

Accounting Standard Interpretations:

SIC 10 Government Assistance - No Specific Relation to Operating Activities

Accounting Treatment Guidance for Transfers of Financial Assets

(Unaudited but reviewed)

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements.

## 2. New accounting standards issued during the period and not yet effective

During the current period, the Federation of Accounting Professions has issued Notifications, already published in the Royal Gazette, mandating the use of financial reporting standard, accounting standard interpretation and financial reporting standard interpretations as follows.

		<u>Effective date</u>
Financial Reporting Standard:		
TFRS 4	Insurance Contracts	1 January 2016
Accounting Standard Interpretation:		
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
Financial Reporting Standard Interpretations:		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014

The management of the Company has assessed the effect of the above financial reporting standard, accounting standard interpretation and financial reporting standard interpretations and believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied.

(Unaudited but reviewed)

**3. Current investment**

(Unit: Thousand Baht)

Consolidated financial statements								
Paid-up capital		Shareholding percentage		Cost		Carrying amounts based on equity method		
31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	
Thousand INR	Thousand INR	%	%					
<b>Investment in associate held by a subsidiary</b>								
Southern LPG Limited	64,592	64,592	50.00	50.00	25,578	26,733	16,094	16,821
Less: Allowance for loss on investment							(16,094)	(16,821)
Current investment - net							-	-

A subsidiary (Precious Shipping (Mauritius) Limited) recorded investment in an associated company incorporated in India under equity method only until 31 December 2000, since the Company's management is making efforts to sell this investment. The investment has therefore been classified as current investment, under current assets, and provision for loss on investment in full has been set up.

**4. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of invoice date				
Past due				
Up to 3 months	255,647	209,034	-	-
3 - 6 months	908	1,034	-	-
6 - 12 months	3,361	6,716	-	-
Over 12 months	281	25,119	-	-
Total	260,197	241,903	-	-
Less: Allowance for doubtful debts	(281)	(25,119)	-	-
Total trade receivables - unrelated parties, net	259,916	216,784	-	-
<u>Other receivables - related parties</u>				
Advances to related parties	-	-	1,268,632	1,088,380
Total other receivables - related parties	-	-	1,268,632	1,088,380
Trade and other receivables - net	259,916	216,784	1,268,632	1,088,380



## 5. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2013	2012	2013	2012	
<b>Transactions with subsidiaries</b>					
(Eliminated from consolidated financial statements)					
Service income - management fees	-	-	19,446	13,865	Fixed rate per vessel per day set with reference to the administrative cost of the Company
Vessel construction supervision income	-	-	1,778	-	In accordance with contract based on market practice
Dividend received	-	-	128,900	-	As declared
Interest income	-	-	2,104	2,124	At interest rate of 0.40% per annum (2012: 0.40% per annum)
Condominium rental expenses	-	-	2,141	2,299	Market price
Sales of newbuilding vessels	-	-	580,029	917,527	At cost
<b>Transaction with jointly controlled entity</b>					
(Eliminated from consolidated financial statements in proportion with the Company's shareholding)					
Vessel construction supervision income	-	921	-	1,842	In accordance with contract based on market practice
<b>Transactions with related companies</b>					
Air ticket expenses	4,243	2,599	699	811	Market price
Rental and service expenses	3,008	2,027	2,521	1,859	Market price
Computer purchases	-	942	-	241	Market price

(Unaudited but reviewed)

The balances of the accounts between the Company and those related parties are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
<b>Other receivables - related parties (Note 4)</b>				
Subsidiaries	-	-	1,268,632	921,754
Jointly controlled entity	-	-	-	166,626
Total other receivables - related parties	-	-	1,268,632	1,088,380
<b>Trade and other payables - related parties</b>				
Subsidiaries	-	-	2,164,310	2,626,665
Related companies	862	-	148	-
Total trade and other payables - related parties	862	-	2,164,458	2,626,665

The outstanding balances of the amounts due from/to subsidiaries and jointly controlled entity represent current accounts between the Company and those subsidiaries and jointly controlled entity. The Company's management believes that no allowance for doubtful accounts is necessary. No interest was charged on advances to/from subsidiaries and jointly controlled entity.

#### Directors and management's benefits

During the three-month periods ended 31 March 2013 and 2012, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Short-term employee benefits	25,586	13,630	24,033	13,456
Post-employment benefits	479	495	479	495
Other long-term benefits	-	6,101	-	5,437
Total	26,065	20,226	24,512	19,388

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries in relation to the loans from banks. There was no guarantee fee charged.

**6. Short-term loans to a subsidiary**

As at 31 March 2013, short-term loans to a wholly owned subsidiary are in the form of promissory notes in US Dollar, amounting to USD 61.80 million (31 December 2012: USD 76.80 million), which carry interest at the rate of 0.40% per annum (31 December 2012: 0.40% per annum), and are due at call. Movements in the balance of the loans during the period were as follows.

	(Unit: Thousand Baht)
	Separate <u>financial statements</u>
Balance as at 1 January 2013	2,352,507
Decrease due to receive the repayment	(444,430)
Translation adjustment	(96,812)
Balance as at 31 March 2013	<u>1,811,265</u>

**7. Long-term loans to a subsidiary / jointly controlled entity**

As at 31 March 2013, long-term loans to a wholly owned subsidiary, Associated Bulk Carriers Pte. Limited ("ABC Company"), are in the form of promissory notes, bearing no interest and are due at call. The Company does not intend to call for the loans repayment in the foreseeable future; therefore, the loans are classified as long-term loans.

The details of long-term loans were as follows.

- (a) USD 11.40 Million (31 December 2012: presented as long-term loans to jointly controlled entity amounting to USD 8.55 million), this loan was made available by the Company to enable ABC One Pte. Limited and ABC Two Pte. Limited, the 2 subsidiaries of ABC Company to pay the installments due to ABG Shipyard Ltd., India per Shipbuilding Contracts signed on 22 April 2010.
- (b) USD 4.84 million (31 December 2012: presented as long-term loans to jointly controlled entity amounting to USD 4.84 million), this loan was made available by the Company to enable ABC Two Pte. Limited and ABC Three Pte. Limited, the 2 subsidiaries of ABC Company to pay the installments due to China Shipbuilding & Offshore International Co., Ltd. and Shanhaiguan New Shipbuilding Industry Co., Ltd., China per Shipbuilding Contracts signed on 5 December 2012.

(Unaudited but reviewed)

Movements in the balance of the loans during the period were as follows.

(Unit: Thousand Baht)

	Separate financial statements
Balance as at 1 January 2013	-
Transferred from long-term loans to jointly controlled entity	410,035
Increase from acquisition of a subsidiary	253,325
Decrease due to receive the repayment	(168,884)
Translation adjustment	(18,623)
Balance as at 31 March 2013	<u>475,853</u>

## 8. Investments in subsidiaries

These represent investments in ordinary shares in the following subsidiaries.

(Unit: Thousand Baht)

Subsidiaries' name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Cost		Dividend received	
	31	31	31	31	31	31	For the three-month	
	March	December	March	December	March	December	periods ended 31 March	
2013	2012	2013	2012	2013	2012	2013	2012	
			%	%				
Precious Metals Limited	275,000	275,000	99.99	99.99	310,543	324,562	-	-
Precious Wishes Limited	230,000	230,000	99.99	99.99	264,351	276,285	-	-
Precious Stones Shipping Limited	260,000	260,000	99.99	99.99	246,936	258,084	-	-
Precious Minerals Limited	230,000	230,000	99.99	99.99	224,546	234,683	23,000	-
Precious Lands Limited	306,000	306,000	99.99	99.99	284,181	297,010	-	-
Precious Rivers Limited	234,000	234,000	99.99	99.99	186,781	195,213	11,700	-
Precious Lakes Limited	184,000	184,000	99.99	99.99	163,904	171,304	-	-
Precious Seas Limited	100,000	100,000	99.99	99.99	114,935	120,124	-	-
Precious Stars Limited	105,000	105,000	99.99	99.99	120,682	126,130	-	-
Precious Oceans Limited	175,000	175,000	99.99	99.99	201,136	210,217	-	-
Precious Planets Limited	270,000	270,000	99.99	99.99	272,730	285,042	-	-
Precious Diamonds Limited	205,000	205,000	99.99	99.99	170,748	178,456	10,250	-
Precious Sapphires Limited	144,000	144,000	99.99	99.99	115,845	121,074	7,200	-
Precious Emeralds Limited	366,000	366,000	99.99	99.99	277,778	290,318	18,300	-
Precious Rubies Limited	84,000	84,000	99.99	99.99	72,217	75,477	-	-
Precious Opals Limited	74,000	74,000	99.99	99.99	64,779	67,702	-	-
Precious Garnets Limited	379,000	379,000	99.99	99.99	286,510	299,445	18,950	-
Precious Pearls Limited	173,000	173,000	99.99	99.99	163,642	171,030	-	-
Precious Flowers Limited	336,000	336,000	99.99	99.99	315,515	329,759	-	-
Precious Forests Limited	96,000	96,000	99.99	99.99	87,631	91,587	-	-
Precious Trees Limited	202,000	202,000	99.99	99.99	191,489	200,133	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Subsidiaries' name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Cost		Dividend received	
	31	31	31	31	31	31	For the three-month	
	March	December	March	December	March	December	periods ended 31 March	
	2013	2012	2013	2012	2013	2012	2013	2012
			%	%				
Precious Ponds Limited	84,000	84,000	99.99	99.99	75,461	78,867	-	-
Precious Ventures Limited	202,000	202,000	99.99	99.99	207,708	217,085	-	-
Precious Capitals Limited	200,000	200,000	99.99	99.99	229,870	240,248	-	-
Precious Jasmines Limited	147,000	147,000	99.99	99.99	156,172	163,222	-	-
Precious Orchids Limited	217,000	217,000	99.99	99.99	176,480	184,447	-	-
Precious Lagoons Limited	140,000	140,000	99.99	99.99	160,909	168,173	-	-
Precious Cliffs Limited	140,000	140,000	99.99	99.99	160,909	168,173	-	-
Precious Hills Limited	140,000	140,000	99.99	99.99	160,909	168,173	-	-
Precious Mountains Limited	140,000	140,000	99.99	99.99	160,909	168,173	14,000	-
Precious Resorts Limited	140,000	140,000	99.99	99.99	160,909	168,173	-	-
Precious Cities Limited	170,000	170,000	99.99	99.99	182,974	191,234	25,500	-
Precious Comets Limited	71,100	71,100	99.99	99.99	52,930	55,319	-	-
Precious Ornaments Limited	68,100	68,100	99.99	99.99	50,698	52,987	-	-
Nedtex Limited	2,500	2,500	69.99	69.99	745	779	-	-
Precious Storage Terminals Limited	6,000	6,000	69.99	69.99	4,827	5,045	-	-
Thebes Pte. Limited	0.0365	0.0365	100.00	100.00	-	-	-	-
Precious Shipping (Panama) S.A.	250	250	99.99	99.99	293	306	-	-
Precious Shipping (Mauritius) Limited	250	250	100.00	100.00	293	306	-	-
Precious Shipping (Singapore) Pte. Limited	363,338	363,338	100.00	100.00	307,462	321,342	-	-
Precious Shipping (UK) Limited	250	250	99.99	99.99	293	306	-	-
Great Circle Shipping Agency Limited	210,000	210,000	99.99	99.99	317,827	332,175	-	-
Precious Projects Pte. Limited	0.0345	0.0345	100.00	100.00	-	-	-	-
Associated Bulk Carriers Pte. Limited	0.0638	-	100.00	-	-	-	-	-
Total investments in subsidiaries					6,705,457	7,008,168	128,900	-
Less: Allowance for loss on investments in subsidiaries					(5,865)	(6,130)		
Total investments in subsidiaries - net					6,699,592	7,002,038		

The Company offsets the dividend income against amounts receivables from/payables to subsidiaries in the statements of financial position.

The change in cost of investments in subsidiaries other than the acquisition of ABC Company as discussed in Note 1.3 to the financial statements is from the exchange differences on translation of functional currency to presentation currency.

(Unaudited but reviewed)

On 18 January 2013, the Company purchased one ordinary share of ABC Company from Varada as discussed in Note 1.3 to the financial statements. Details of the net assets acquired and acquisition considerations transferred for the acquisition of ABC Company are provided below.

(Unit: Thousand Baht)

Cash and cash equivalents	1,766
Other current assets	950
Advances for vessel constructions	533,026
Deferred financial fees	12,811
Other non-current assets	34,043
Total assets	<u>582,596</u>
Trade and other payables	1,512
Long term loan	166,610
Total liabilities	<u>168,122</u>
Net assets	<u>414,474</u>
Fair value of net assets acquired	<u>414,474</u>
Acquisition consideration transferred	<u>414,474</u>

On 6 February 2013, ABC Company has formed one Special Purpose Vehicle subsidiary (the "SPV subsidiary") named ABC Four Pte. Limited ("ABC Four Company") which is incorporated under the laws of the Republic of Singapore. The SPV Subsidiary has been incorporated to specifically order, own and operate another Cement Carrier Vessel to perform the long term Time Charter signed by the Company with the Charterer who has also signed 3 other such Time Charters for 3 Cement Carrier Vessels. The initial registered capital of the SPV subsidiary is USD 1.00, fully paid-up, divided into 1 ordinary share with a par value of USD 1.00 each held by the ABC Company.

## 9. Investment in joint venture

(Unit: Baht)

Jointly controlled entity's name	Nature of business	Separate financial statements				Carrying amounts based on cost method	
		Shareholding percentage		Cost		March	December
		31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012
		%	%				
Associated Bulk Carriers Pte. Limited	Holding company	-	50	-	31	-	31

(Unaudited but reviewed)

As at 31 December 2012, investment in joint venture represented investment under joint venture agreement in Associated Bulk Carriers Pte. Limited ("ABC Company") which was jointly controlled by the Company and Varada Marine Pte. Limited ("Varada") for the purpose of owning and operating cement carriers.

Since the Company purchased one ordinary share of ABC Company from Varada as discussed in Note 1.3 to the financial statements, ABC Company is now a wholly owned subsidiary of the Company.

## 10. Investment in associate held by a subsidiary

### 10.1 Details of associate held by a subsidiary

(Unit: Thousand Baht)

		Consolidated financial statements						Carrying amounts	
		Shareholding		Cost		based on			
		percentage				equity method			
		31	31	31	31	31	31		
		March	December	March	December	March	December		
Associate's name	Nature of business	2013	2012	2013	2012	2013	2012		
		%	%						
International Seaports (Haldia) Private Limited	Berth construction and development	22.40	22.40	59,720	62,416	105,729	104,694		

The change in cost of investment in associate held by a subsidiary is from the exchange differences on translation of functional currency to presentation currency.

(Unit: Thousand Baht)

Associate's name	Consolidated financial statements	
	Share of profit (loss) from investment in associate held by a subsidiary for the three-month periods ended 31 March	
	2013	2012
International Seaports (Haldia) Private Limited	5,081	(4,106)

Shares of profit (loss) from investment in associate held by a subsidiary for the three-month periods ended 31 March 2013 and 2012, included in the consolidated income statements, were recorded based on the financial information for the three-month periods ended 31 December 2012 and 2011, respectively.

(Unaudited but reviewed)

**10.2 Summarised financial information of associate held by a subsidiary**

(Unit: Thousand Baht)

Associate's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the		Profit (loss) for the	
	31 December		31 December		31 December		three-month periods ended		three-month periods ended	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	Thousand INR	Thousand INR								
International Seaports										
(Haldia) Private Limited	440,580	440,580	606,118	617,828	134,115	125,910	111,874	104,119	22,682	(18,329)

**11. Property, plant and equipment**

Movements of the property, plant and equipment account during the three-month period ended 31 March 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2013	16,212,572	7,859
Acquisitions of vessels and equipment and payment of dry-dock and special survey expenses during period - at cost	602,361	1,339
Transfer from advances for vessel constructions	580,029	-
Transfer out/write-off	(21)	(21)
Depreciation for period	(252,584)	(974)
Translation adjustment	(710,332)	(343)
Net book value as at 31 March 2013	16,432,025	7,860

**12. Intangible assets**

Movements of intangible assets which are computer software during the three-month period ended 31 March 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2013	12,856	12,813
Amortisation for period	(2,181)	(2,179)
Translation adjustment	(532)	(529)
Net book value as at 31 March 2013	10,143	10,105



**13. Advances for vessel purchases**

On 27 December 2012 and 12 March 2013, 2 local subsidiaries entered into respective Purchase Agreements termed as Memorandum of Agreement with an overseas company to purchase two vessels as detailed below.

<b>Subsidiary's name</b>	<b>Purchase price</b>	<b>Deposit paid (10% of the purchase price)</b>
Precious Comets Limited	USD 14.25 million (or approximately Baht 417.65 million)	USD 1.43 million (or approximately Baht 41.77 million)
Precious Ornaments Limited	USD 16.00 million (or approximately Baht 468.94 million)	USD 1.60 million (or approximately Baht 46.89 million)

**14. Advances for vessel constructions**

Movements of the advances for vessel constructions account during the three-month period ended 31 March 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2013	4,942,348	4,250,803
Additions	284,798	213,156
Increase from acquisition of a subsidiary	533,026	-
Interest costs and commitment fee	10,500	3,332
Amortisation of financial fees	247	90
Other direct costs	18,741	14,492
Novation/cancellation of shipbuilding contracts	(377,232)	(200,715)
Transfer to cost of vessel and equipment of a subsidiary	(580,029)	(580,029)
Translation adjustment	(212,292)	(177,669)
Balance as at 31 March 2013	4,620,107	3,523,460
Less: Current portion	(33,514)	(33,514)
Advance for vessel constructions - net of current portion	<u>4,586,593</u>	<u>3,489,946</u>

(Unaudited but reviewed)

During the three-month period ended 31 March 2013, the amounts of borrowing costs capitalised were Baht 10.50 million in the consolidated financial statements and Baht 3.33 million in the separate financial statements. The weighted average capitalisation rates used to determine the amount of borrowing costs eligible for capitalisation were 1.43% - 2.60% in the consolidated financial statements and 1.43% - 1.56% in the separate financial statements.

### Novation of new Shipbuilding Contracts

Details of 4 Novation Agreements signed on 10 September 2012 are as follows.

Hull No.	Details of novated shipbuilding contract				Novation Consideration per Novation Agreement					
					To be paid by the New Buyer		To be paid by the Shipbuilder (through adjustment against other Shipbuilding Contracts)			
	DWT	Shipbuilding Contract Date	Contract Amount (USD)	Installments paid to the Shipbuilder by the Company (USD)	Maximum amount per Novation Agreement (USD)	The last payment date	Maximum amount (USD) <sup>(1)</sup>	Termination date	Pay (adjust) the next installment of Hull No.	Maximum amount (USD) <sup>(2)</sup>
336	32,000	20 July 2007	29,999,997	5,999,999	8,405,478	15 November 2012	100,000	29 November 2012	337	8,305,478
340	32,000	20 July 2007	29,999,997	5,999,999	9,005,889	31 December 2012	100,000	31 March 2014	342	8,905,889
316	54,000	14 September 2007	37,999,998	15,199,998	24,023,490	31 December 2012	13,440,752	29 January 2013	348	10,582,738
347	54,000	11 February 2008	37,999,998	15,199,998	23,896,997	31 December 2012	13,440,752	31 March 2013	349	10,456,245

<sup>(1)</sup> if the payment is made on the last payment date

<sup>(2)</sup> if the payment (by way of adjustment) is made on the Termination Date

According to the Novation Agreements, the New Buyer and the Shipbuilder will repay the Company all installments of Hull Nos. 336, 340, 316 and 347 paid to the Shipbuilder plus interest at a rate of 7.50% per annum from the dates of payment of the respective installments with additional compensation to the Company partly in cash and partly as adjustment of the Company's liability to pay the next installments of Hull Nos. 337, 342, 348 and 349, subject to a refund guarantee received in accordance with the terms of the same Shipbuilding Contracts against which the adjustments are made.

For each Novation Agreement,

- a) if the Novation Consideration to be paid by the New Buyer is not received by the Company; or
- b) the Novation Consideration to be paid by the Shipbuilder is not received by the Company; or
- c) the Shipbuilder fails to obtain extension of the relevant Refund Guarantees of the installments paid under the relevant Shipbuilding Contracts.

The Company will be entitled to cancel the respective Shipbuilding Contracts and all the payments made to the Shipbuilder by the Company under the respective Shipbuilding Contracts plus interest accrued on each such payment at a rate of 7.50% per annum shall be due and payable by the Shipbuilder, in accordance with the respective Shipbuilding Contracts.

Further, with respect to the installments paid for the vessel construction, the Company still holds valid letters of guarantee from overseas banks, guaranteeing the refund of installments paid (with certain interest rates) in case of a failure by the New Buyer or Shipbuilder to perform in accordance with the Novation Agreements and/or the Shipbuilding Contracts.

During the three-month period ended 31 March 2013, the Company completed 3 Novations of Shipbuilding Contracts for Hull Nos. 336, 340 and 347 and recorded gains on Novation of Shipbuilding Contracts of USD 13.18 million or approximately Baht 390.37 million in the consolidated and separate income statements. The Company is in discussion with the New Buyer and the Shipbuilder with respect to the closing of the last pending Novation of Shipbuilding Contract for Hull No. 316.

**Delivery of vessel under the Shipbuilding Contract with ABG Shipyard Ltd., India**

On 15 January 2013, the third vessel (Hull No. 335) was completed and delivered to the Company's indirect subsidiary incorporated in Singapore (Precious Thoughts Pte. Limited). The Company, therefore, transferred advances for vessel construction and other direct costs which were relevant to the vessel, totaling USD 19.58 million or approximately Baht 580.03 million, and recorded as cost of vessel and equipment of the aforesaid indirect subsidiary.

**Cancellation of the Shipbuilding Contract**

On 18 January 2013, ABC Three Pte., Limited (“ABC Three Company”) signed a Cancellation Agreement in relation to the Shipbuilding Contract dated 22 April 2010 with ABG Shipyard Ltd. (“Shipbuilder”) for the construction of one 20,000 DWT cement carrier with Hull No. 380 (“Vessel”) since ABC Three Company has already ordered the same Vessel with the Chinese Shipbuilder. Details of Cancellation Agreement of Shipbuilding Contract for Hull No. 380 are as follows.

Hull No.	DWT	Shipbuilding Contract Date	Contract Amount (USD)	Installments paid to the Builder by ABC Three Company (USD)
380	20,000	22 April 2010	28,500,000	5,700,000

ABC Three Company received the cancellation proceeds of USD 6.70 million or approximately Baht 198.66 million in accordance with the Cancellation Agreement on 18 January 2013, and recorded gain on Cancellation of Shipbuilding Contract of USD 0.75 million or approximately Baht 22.14 million in the consolidated income statement.

**15. Deferred financial fees**

Movements of the deferred financial fees account during the three-month period ended 31 March 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2013	125,212	100,561
Additions	1,596	-
Increase from acquisition of a subsidiary	12,811	-
Transfer to present as a deduction against long-term loans	(15,901)	(1,257)
Transfer to a subsidiary as borrower	-	(3,612)
Write-off deferred financial fee due to cancellation of loan facility	(4,476)	(4,476)
Translation adjustment	(5,344)	(4,243)
Balance as at 31 March 2013	113,898	86,973

(Unaudited but reviewed)

## 16. Long-term loan facilities

As at 31 March 2013 and 31 December 2012, long-term loans accounts are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements											
	Loan facilities for financing the construction and acquisition of new vessels						Loan facilities for purchasing of vessels					
	Facility 1		Facility 2		Facility 3		Facility 1		Facility 3		Total	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012
Long-term loans	1,838,404	2,093,783	334,117	174,601	2,045,264	1,618,758	4,205,199	4,546,766	1,086,994	811,370	9,509,978	9,245,278
Less: Deferred financial fees	(11,280)	(11,942)	(4,342)	(2,350)	(39,379)	(31,183)	(115,582)	(122,670)	(11,440)	(10,142)	(182,023)	(178,287)
Total	1,827,124	2,081,841	329,775	172,251	2,005,885	1,587,575	4,089,617	4,424,096	1,075,554	801,228	9,327,955	9,066,991
Less: Current portion	(311,438)	(546,134)	(329,775)	(5,742)	(162,806)	(127,614)	(283,186)	(122,479)	(34,650)	-	(1,121,855)	(801,969)
Long-term loans - net of current portion	1,515,686	1,535,707	-	166,509	1,843,079	1,459,961	3,806,431	4,301,617	1,040,904	801,228	8,206,100	8,265,022

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements	
	Loan facilities for financing the construction and acquisition of new vessels	
	Facility 1	
	31 March 2013	31 December 2012
Long-term loans	574,447	1,200,759
Less: Deferred financial fees	(3,093)	(6,188)
Total	571,354	1,194,571
Less: Current portion	(221,822)	(481,890)
Long-term loans - net of current portion	349,532	712,681

Movements in the long-term loan accounts during the three-month period ended 31 March 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Loan facilities for financing the construction and acquisition of new vessels			Loan facilities for purchasing of vessels		
	Facility 1	Facility 2	Facility 3	Facility 1	Facility 3	Total
Balance as at 1 January 2013	2,081,841	172,251	1,587,575	4,424,096	801,228	9,066,991
Add: Drawdown	429,616	-	533,317	-	314,064	1,276,997
Amortisation of financial fees	442	157	1,386	1,809	1,856	5,650
Write-off deferred financial fees due to cancellation of loan facility	962	-	-	-	-	962
Increase from acquisition of a subsidiary	-	166,610	-	-	-	166,610
Unrealised exchange loss	-	-	-	49,910	-	49,910
Less: Deferred financial fees	(1,257)	-	(11,033)	-	(3,611)	(15,901)
Repayment	(371,180)	-	(31,466)	(28,332)	-	(430,978)
Prepayment	-	-	-	(168,338)	-	(168,338)
Prepayment due to cancellation of loan facility	(225,178)	-	-	-	-	(225,178)
Translation adjustment	(88,122)	(9,243)	(73,894)	(189,528)	(37,983)	(398,770)
Balance as at 31 March 2013	1,827,124	329,775	2,005,885	4,089,617	1,075,554	9,327,955

(Unaudited but reviewed)

(Unit: Thousand Baht)

	<u>Separate financial statements</u>
	Loan facilities for financing the construction and acquisition of new vessels
	<u>Facility 1</u>
Balance as at 1 January 2013	1,194,571
Add: Amortisation of financial fees	90
Transfer of deferred financial fee to a subsidiary	3,064
Write-off deferred financial fees due to cancellation of loan facility	962
Less: Deferred financial fees	(1,257)
Repayment	(355,544)
Prepayment due to cancellation of loan facility	(225,178)
Translation adjustment	(45,354)
Balance as at 31 March 2013	<u>571,354</u>

During the current period, the Group entered into loan facility agreement and amended and restated agreements with banks. Details are as follows.

**Loan facility for financing the construction and acquisitions of new vessels (Newbuildings)**

**Facility 1**

During the three-month period ended 31 March 2013, the Company prepaid the loan drawn and cancelled the undrawn balance loan facility against the respective Hull as follows.

Hull No.	Prepayment Date	Undrawn Loan Facility Cancellation Amount	Loan Prepayment Amount
		(USD)	(USD)
348	12 March 2013	22,800,001	7,599,999

(Unaudited but reviewed)

The Group's bank loan facilities and the undrawn loan balances are summarised below.

(Unit: Million USD)

Facility	Bank	Borrower	Interest rate per loan/amendment agreement	Maximum facility amount per loan/amendment agreement		Undrawn loan balance	
				31 March 2013	31 December 2012	31 March 2013	31 December 2012
<b>Loan facilities for financing the construction and acquisition of new vessels (Newbuildings)</b>							
Facility 1	DNB NOR Bank ASA (Singapore Branch) and 5 other banks, total 6 banks	The Company and subsidiaries	LIBOR + margin	106.40	167.20	36.00	88.00
Facility 2	NIBC Bank Ltd., Singapore	ABC One Pte. Limited	LIBOR + margin	22.80	22.80	11.40	11.40
Facility 3	ING Bank N.V. (Singapore Branch) and DNB NOR Bank ASA (Singapore Branch)	4 indirect subsidiaries in Singapore	LIBOR + margin	84.96	84.96	-	21.24
Facility 4	Bangkok Bank PCL (Singapore Branch)	ABC Two Pte. Limited and ABC Three Pte. Limited	LIBOR + margin	45.60	45.60	45.60	45.60



(Unaudited but reviewed)

(Unit: Million USD)

Facility	Bank	Borrower	Interest rate per loan/amendment agreement	Maximum facility amount per loan/amendment agreement		Undrawn loan balance	
				31 March 2013	31 December 2012	31 March 2013	31 December 2012
<b>Loan facilities for purchasing of vessels</b>							
Facility 1	Krung Thai Bank PCL and 2 other banks, total 3 banks	The Company and local subsidiaries	MLR-1 for Thai Baht loan and LIBOR + margin for USD loan	USD 142.00 million and Baht 1,502.35 million	USD 142.00 million and Baht 1,502.35 million	-	-
Facility 2	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Bangkok Branch and 2 other banks, total 3 banks	The Company and subsidiaries	LIBOR + margin	150.00	150.00	150.00	150.00
Facility 3	Export-Import Bank of Thailand	The Company and subsidiaries	LIBOR + margin	100.00	100.00	59.38	69.98

## **17. Basic earnings per share**

Basic earnings (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

## **18. Segment information**

The Group's operations involve the business of owning and internationally operating (chartering) small handy sized and supramax dry bulk vessels, on a tramp shipping basis without any set routes. This is the only industry segment in which the Group mainly operates and almost entire revenues are generated from this segment. As such, no segmental bifurcation is applicable since the operations are mainly limited to only one aforesaid segment.

The business activity in the segment, i.e. the chartering of the vessels, is undertaken in two ways, viz., Time charter and Voyage charter. Under Time charter, the charterer (customer) pays charter hire (at an agreed daily rate, almost always in US Dollars) to operate the vessel for an agreed time period. In this case, the charterer bears all voyage expenses including port disbursements and costs of bunker fuel. Under Voyage charter, the charterer pays freight on a per ton basis (almost always in US Dollars) to transport a particular cargo between two or more designated ports. In this case, the Group bears all the voyage expenses. The voyage expenses are presented in the financial statements as voyage disbursements and bunker consumption. Under Time charter, the vessel routes are determined or controlled exclusively by the charterers and under Voyage charters, the route varies from time to time for each voyage, which is determined by a number of factors which are totally beyond the Groups' control. As such, reporting by geographical segments would not be practical or meaningful, and could in fact be misleading.

In view of the above, segment information is limited to the bifurcation of the total vessel operating income (and voyage expenses in respect of Voyage charter) derived from Time charter and Voyage charter presented as "Hire income" and "Freight income" respectively, as under:

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements										
For the three-month periods ended 31 March										
	Time charter		Voyage charter		Total		Elimination		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Hire income	583,604	457,912	-	-	583,604	457,912	(11,701)	(12,166)	571,903	445,746
Freight income	-	-	355,771	368,024	355,771	368,024	(48,966)	(26,219)	306,805	341,805
Total vessel operating income	583,604	457,912	355,771	368,024	939,375	825,936	(60,667)	(38,385)	878,708	787,551
Voyage disbursements	-	-	(109,168)	(85,428)	(109,168)	(85,428)	60,667	38,385	(48,501)	(47,043)
Bunker consumption	-	-	(166,382)	(154,761)	(166,382)	(154,761)	-	-	(166,382)	(154,761)
Total voyage expenses	-	-	(275,550)	(240,189)	(275,550)	(240,189)	60,667	38,385	(214,883)	(201,804)
Net vessel operating income/time charter equivalent income	583,604	457,912	80,221	127,835	663,825	585,747	-	-	663,825	585,747

## 19. Commitments and contingent liabilities

### 19.1 Shipbuilding contracts commitments

The Group had future minimum payment commitments under shipbuilding contracts as detailed below.

	31 March 2013		31 December 2012	
	(Million USD)	(Equivalent to Million Baht)	(Million USD)	(Equivalent to Million Baht)
The Company	86.00	2,520.53	122.60	3,755.43
Subsidiaries	69.61	2,040.05	-	-
Jointly controlled entity - proportion with the Company's shareholding (50%) - with India Shipbuilder	-	-	25.65	785.70
Jointly controlled entity - with Chinese Shipbuilder	-	-	43.52	1,333.21
Total	155.61	4,560.58	191.77	5,874.34

## 19.2 Obligations in respect of charges for management of the undrawn portion of loan facilities

The Group had obligations in respect of the charges for management of the undrawn portion of loan facilities, which are summarised as follows.

Facility	Commitment fees payable by the Group	Undrawn loan balance as at		Terms of payment of commitment fees	Payable upto
		31 March 2013	31 December 2012		
		(Million USD)	(Million USD)		
<b>Loan facilities for financing the construction and acquisition of new vessels (Newbuildings)</b>					
Facility 1	0.35% per annum of undrawn loan balance	36.00	88.00	Every three months until the end of the drawdown period	Upon delivery of each vessel
Facility 2	1.20% per annum of undrawn loan balance	11.40	11.40	Every three months until the end of the drawdown period	Upon delivery of the vessel
Facility 3	1.15% per annum of undrawn loan balance	-	21.24	Every three months until the end of the drawdown period	Upon delivery of each vessel
Facility 4	1.20% per annum of undrawn loan balance	45.60	45.60	Every three months until the end of the drawdown period	Upon delivery of each vessel
<b>Loan facilities for purchasing of vessels</b>					
Facility 2	0.70% per annum of undrawn loan balance	150.00	150.00	Every three months until the end of the drawdown period	30 June 2013
Facility 3	0.70% per annum of undrawn loan balance	59.38	69.98	Every three months until the end of the drawdown period	30 December 2013

## 19.3 Uncalled portion of other long-term investment

As at 31 March 2013, the Company has a commitment of Baht 10.13 million in respect of the uncalled portion of other long-term investment (TMN Company Limited) (31 December 2012: Baht 10.13 million).

#### **19.4 Long-term time charter commitments**

Pursuant to a Memorandum of Understanding signed in October 2009, on 2 December 2009 and on 7 September 2012, the Company signed Long-Term Time Charter Contracts with a company incorporated in India (the charterer) for 4 new cement carriers. The charter periods under the contracts are 15 years, with a fixed charter rate per day as stipulated in the contracts. There is an option to extend the charter period twice by blocks of 5 years, with reduced charter rates as stipulated in the contracts. The vessels are new custom-built cement carriers, which have to be delivered to the charterer as per the committed schedule during 2011 to 2014. If the vessels are not delivered to the charterer within the agreed schedule, there is a fine payable of USD 4,250 per vessel per day.

As at 31 March 2013, ABC One Pte. Limited and ABC Two Pte. Limited have paid the fine payable to the charterer due to the delay of vessel delivery amounting to USD 2.78 million or approximately Baht 81.33 million (31 December 2012: ABC One Pte. Limited, in proportion with the Company's shareholding (50%) amounting to USD 1.07 million or approximately Baht 32.81 million) recorded in deferred contract costs account in the consolidated statement of financial position. This amount will be deducted from the final payment to the shipbuilder, as stipulated in the shipbuilding agreement ordered by ABC One Pte. Limited and ABC Two Pte. Limited.

#### **19.5 Commitment from option deed agreement**

Apart from the Share Sale and Purchase Agreement signed with Varada Marine Pte. Limited ("the Seller") as mentioned in Note 1.3 to the financial statements, ABC Company (as Grantor) has also entered into an Option Deed with the Seller on 18 January 2013 under which, the Seller shall have the option to purchase 50% of the issued share capital of each of the existing Subsidiaries ("Option Securities") at the Price of ABC Company's cost of investment (including Shareholder Loans) together with interest at 7.5% per annum. Each of the Option Securities for each of the subsidiary, may be exercised at any time during the period of 60 days commencing 30 days after the date of actual delivery of each Vessel of each of the Subsidiaries under the respective Shipbuilding Contracts.

**19.6 Vessel purchase contract commitments**

As of 31 March 2013, 2 local subsidiaries had commitments of USD 27.22 million or approximately Baht 801.71 million according to the Memorandum of Agreement with an overseas company to purchase 2 second-hand vessels as discussed in Note 13 to the financial statements. Subsequently, on 25 April 2013, a local subsidiary (Precious Comets Limited) made the final balance payment and took the delivery of a vessel.

**20. Events after the reporting period**

- 20.1 On 1 April 2013, the 2013 Annual General Meeting of the Company's shareholders approved a dividend of Baht 0.40 per share for the year, or a total of Baht 415.73 million, to the shareholders based on the Company's retained earnings as of 31 December 2012. During 2012, the Company paid aggregate interim dividends of Baht 0.30 per share, or a total of Baht 311.79 million, leaving a dividend of Baht 0.10 per share, or a total of Baht 103.94 million, which was paid on 11 April 2013.
- 20.2 On 3 April 2013, ABC Four Pte., Limited ("ABC Four Company"), has entered into a Shipbuilding Contract for a cement carrier vessel ("Vessel") with China Shipbuilding & Offshore International Co., Ltd. and Shanhaiguan New Shipbuilding Industry Co., Ltd.. The contract price for the vessel is USD 24.18 million or about Baht 710.41 million. The contract price will be paid in 5 installments with the first 4 installments of 10% each becoming payable on the submission of a refund guarantee in favor of ABC Four Company with the milestone certificates and the last installment of 60% becoming payable on delivery. The vessel is expected to be delivered in July 2014.
- 20.3 On 25 April 2013, the Company has subscribed and paid for newly issued ordinary shares of subsidiaries as detailed below.

Subsidiaries' name	New ordinary shares		
	Par value (Baht)	No. of shares (Million Shares)	Total value (Million Baht)
Precious Ponds Limited	100.00	0.40	40.00
Precious Comets Limited	100.00	0.70	69.90

**21. Functional currency financial statements**

The USD functional currency statements of financial position as at 31 March 2013 and 31 December 2012 and the income statements for the three-month periods ended 31 March 2013 and 2012 are as follows.

(Unaudited but reviewed)

## Precious Shipping Public Company Limited and its subsidiaries

## Statement of financial position

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2013	2012	2013	2012
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	59,419	62,061	26,944	21,098
Current investment	-	-	-	-
Trade and other receivables	8,868	7,077	43,285	35,531
Short-term loans to a subsidiary	-	-	61,800	76,800
Current portion of advances for vessel constructions	1,144	15,768	1,144	12,796
Bunker oil	3,583	4,791	-	-
Other current assets				
Advances to vessel masters	3,802	3,366	-	-
Claim recoverables	853	774	-	-
Others	1,838	2,190	391	1,465
Total other current assets	6,493	6,330	391	1,465
<b>Total current assets</b>	<b>79,507</b>	<b>96,027</b>	<b>133,564</b>	<b>147,690</b>
<b>Non-current assets</b>				
Investments in subsidiaries	-	-	228,589	228,589
Investment in joint venture	-	-	-	-
Investment in associate held by a subsidiary	3,607	3,418	-	-
Other long-term investment	260	260	260	260
Long-term loans to jointly controlled entity	-	-	-	13,386
Long-term loans to a subsidiary	-	-	16,236	-
Receivables from cross currency swap contracts	4,437	2,746	-	-
Property, plant and equipment	560,657	529,276	268	257
Intangible assets	346	420	345	418
Other non-current assets				
Claim recoverables - maritime claims	1,152	1,490	-	-
Advances for vessel purchases	3,025	-	-	-
Advances for vessel constructions - net of current portion	156,494	145,580	119,076	125,976
Deferred financial fees	3,886	4,088	2,968	3,283
Deferred contract costs	2,775	1,071	-	-
Others	103	98	82	78
Total other non-current assets	167,435	152,327	122,126	129,337
<b>Total non-current assets</b>	<b>736,742</b>	<b>688,447</b>	<b>367,824</b>	<b>372,247</b>
<b>Total assets</b>	<b>816,249</b>	<b>784,474</b>	<b>501,388</b>	<b>519,937</b>

(Unaudited but reviewed)

**Precious Shipping Public Company Limited and its subsidiaries**  
**Statement of financial position (continued)**

(Unit: Thousand USD)

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	31 March	31 December	31 March	31 December
	2013	2012	2013	2012
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Trade and other payables				
Trade accounts payable	1,174	56	37	-
Advances received from related parties	-	-	73,846	85,750
Accrued crew accounts	2,574	2,423	-	-
Accrued expenses	4,780	4,366	68	124
Current portion of accrued employee bonus	943	1,444	870	1,335
Total trade and other payables	9,471	8,289	74,821	87,209
Advances received from charterers	1,435	1,120	-	-
Current portion of long-term loans	38,277	26,181	7,569	15,732
Income tax payable	14	145	-	-
Other current liabilities				
Withholding tax payable	140	360	99	317
Others	510	450	172	167
Total other current liabilities	650	810	271	484
<b>Total current liabilities</b>	<b>49,847</b>	<b>36,545</b>	<b>82,661</b>	<b>103,425</b>
<b>Non-current liabilities</b>				
Accrued employee bonus - net of current portion	-	750	-	693
Long-term loans - net of current portion	279,990	269,820	11,926	23,266
Provision for maritime claims	1,756	2,210	-	-
Provision for long-term employee benefits	2,452	2,296	2,245	2,099
<b>Total non-current liabilities</b>	<b>284,198</b>	<b>275,076</b>	<b>14,171</b>	<b>26,058</b>
<b>Total liabilities</b>	<b>334,045</b>	<b>311,621</b>	<b>96,832</b>	<b>129,483</b>
<b>Shareholders' equity</b>				
Share capital				
Registered share capital	35,308	35,308	35,308	35,308
Issued and paid-up share capital	35,308	35,308	35,308	35,308
Paid-in capital				
Premium on ordinary shares	16,135	16,135	16,135	16,135
Premium on treasury stock	4,819	4,819	4,819	4,819
Retained earnings				
Appropriated				
Statutory reserve - the Company	2,802	2,802	2,802	2,802
- subsidiaries	14,285	14,285	-	-
Corporate social responsibility reserve	514	467	514	467
Unappropriated	409,429	400,142	344,978	330,923
Other components of shareholders' equity	(1,127)	(1,145)	-	-
Equity attributable to owner of the Company	482,165	472,813	404,556	390,454
Non-controlling interests of the subsidiaries	39	40	-	-
<b>Total shareholders' equity</b>	<b>482,204</b>	<b>472,853</b>	<b>404,556</b>	<b>390,454</b>
<b>Total liabilities and shareholders' equity</b>	<b>816,249</b>	<b>784,474</b>	<b>501,388</b>	<b>519,937</b>



(Unaudited but reviewed)

## Precious Shipping Public Company Limited and its subsidiaries

## Income statement

For the three-month period ended 31 March 2013

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012
<b>Revenues</b>				
Vessel operating income				
Hire income	19,302	14,514	-	-
Freight income	10,355	11,130	-	-
Total vessel operating income	29,657	25,644	-	-
Service income	169	44	716	512
Gains on novation/cancellation of shipbuilding contracts	13,923	-	13,176	-
Interest income	55	227	83	222
Other income	1	-	1	-
Dividend received	-	-	4,322	-
<b>Total revenues</b>	<b>43,805</b>	<b>25,915</b>	<b>18,298</b>	<b>734</b>
<b>Expenses</b>				
Vessel operating costs				
Vessel running expenses	12,287	8,635	-	-
Voyage disbursements	1,637	1,532	-	-
Bunker consumption	5,615	5,039	-	-
Total vessel operating costs	19,539	15,206	-	-
Depreciation	8,525	6,259	33	36
Cost of services	38	33	-	-
Administrative expenses	1,837	1,387	1,548	1,233
Management remuneration including perquisites	880	659	827	631
Bad debts and doubtful accounts (reversal)	(487)	628	-	-
Exchange losses	97	77	120	153
<b>Total expenses</b>	<b>30,429</b>	<b>24,249</b>	<b>2,528</b>	<b>2,053</b>
<b>Profit (loss) before share of profit (loss) from investment in associate, finance cost and income tax expenses</b>	<b>13,376</b>	<b>1,666</b>	<b>15,770</b>	<b>(1,319)</b>
Share of profit (loss) from investment in associate held by a subsidiary	171	(134)	-	-
<b>Profit (loss) before finance cost and income tax expenses</b>	<b>13,547</b>	<b>1,532</b>	<b>15,770</b>	<b>(1,319)</b>
Finance cost	(4,199)	(2,824)	(1,668)	(1,075)
<b>Profit (loss) before income tax expenses</b>	<b>9,348</b>	<b>(1,292)</b>	<b>14,102</b>	<b>(2,394)</b>
Income tax expenses	(14)	(24)	-	-
<b>Profit (loss) for the period</b>	<b>9,334</b>	<b>(1,316)</b>	<b>14,102</b>	<b>(2,394)</b>
<b>Profit (loss) attributable to:</b>				
Equity holders of the Company	9,334	(1,334)	14,102	(2,394)
Non-controlling interests of the subsidiaries	-	18	-	-
<b>Profit (loss) for the period</b>	<b>9,334</b>	<b>(1,316)</b>	<b>14,102</b>	<b>(2,394)</b>
				(Unit: USD)
<b>Basic earnings (loss) per share</b>				
Profit (loss) attributable to equity holders of the Company	0.0090	(0.0013)	0.0136	(0.0023)

**22. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's authorised directors on 29 April 2013.