

Precious Shipping Public Company Limited
and subsidiaries and jointly controlled entity
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2012 and 2011

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 and jointly controlled entity as at 30 September 2012, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2012 and 2011, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month periods ended 30 September 2012 and 2011, as well as the condensed notes to the consolidated financial statements, and have also reviewed the separate financial information of Precious Shipping Public Company Limited for the same periods. 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 reviews.

Scope of review

I conducted my reviews 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 reviews, 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*.

Statements of financial position as at 31 December 2011 for comparative purposes

I have previously audited the consolidated financial statements of Precious Shipping Public Company Limited and its subsidiaries and jointly controlled entity and the separate financial statements of Precious Shipping Public Company Limited for the year ended 31 December 2011 in accordance with Thai Standards on Auditing, and expressed an unqualified opinion on those statements under my report dated 3 February 2012. The consolidated and separate statements of financial position as at 31 December 2011, as presented herein for comparative purposes, formed an integral part of those financial statements. I have not performed any other audit procedures subsequent to the date of the above report.

Sumalee Reewarabandith
Certified Public Accountant (Thailand) No. 3970

Ernst & Young Office Limited
Bangkok: 29 October 2012

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity

Statements of financial position

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	2,518,598	4,374,711	2,118,668	2,719,519
Current investment	3	-	-	-
Trade and other receivables	4, 5	203,212	692,717	771,933
Short-term loans to a subsidiary	6	-	2,367,652	2,275,428
Current portion of advances for vessel constructions	14	394,982	394,982	1,327,296
Bunker oil		103,320	-	-
Other current assets				
Advances to vessel masters		82,356	-	-
Claim recoverables		20,322	-	-
Others		46,077	13,765	13,874
Total other current assets		148,755	13,765	13,874
Total current assets		3,368,867	5,587,784	7,108,050
Non-current assets				
Investments in subsidiaries	8	-	6,738,789	6,003,738
Investment in joint venture	9	-	-	-
Investment in associate held by a subsidiary	10	102,917	-	-
Other long-term investment		8,022	8,022	8,246
Long-term loan to jointly controlled entity	7	-	263,586	270,960
Receivables from cross currency swap contracts		78,372	-	-
Property, plant and equipment	11	13,612,834	7,131	6,735
Intangible assets	12	15,253	15,207	22,725
Other non-current assets				
Claim recoverables - maritime claims		53,174	-	-
Advances for vessel purchase	13	239,231	-	-
Advances for vessel constructions - net of current portion	14	4,884,082	3,126,087	4,487,725
Deferred financial fees	15	160,262	114,302	168,155
Others	20.4	30,013	2,404	2,406
Total other non-current assets		5,366,762	3,242,793	4,658,286
Total non-current assets		19,184,160	10,275,528	10,970,690
Total assets		22,553,027	15,863,312	18,078,740

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

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity

Statements of financial position (continued)

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables				
	1,130	33,150	146	523
5	-	-	2,872,095	3,430,581
	68,617	47,659	-	-
	84,430	59,641	1,689	5,421
	43,351	66,761	40,092	61,556
	197,528	207,211	2,914,022	3,498,081
	26,584	86,238	-	-
16	255,786	718,549	12,267	286,951
	3,800	506	-	-
Other current liabilities				
	11,026	14,206	9,813	12,778
	20,616	20,525	5,075	9,707
	31,642	34,731	14,888	22,485
	515,340	1,047,235	2,941,177	3,807,517
Non-current liabilities				
	20,716	54,028	19,142	49,836
16	7,135,355	6,307,826	822,259	1,856,651
	76,767	64,637	-	-
	67,362	63,023	61,185	57,001
	7,300,200	6,489,514	902,586	1,963,488
	7,815,540	7,536,749	3,843,763	5,771,005

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

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity

Statements of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
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	15,799	15,333	15,799	15,333
Unappropriated	14,348,840	14,521,659	10,675,739	10,624,884
Other components of shareholders' equity	(1,873,035)	(1,459,091)	(399,338)	(59,831)
Equity attributable to owners of the Company	14,737,073	15,323,370	12,019,549	12,307,735
Non-controlling interests of the subsidiaries	414	33,129	-	-
Total shareholders' equity	14,737,487	15,356,499	12,019,549	12,307,735
Total liabilities and shareholders' equity	22,553,027	22,893,248	15,863,312	18,078,740
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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 subsidiaries and jointly controlled entity**Income statements****For the three-month periods ended 30 September 2012 and 2011**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Revenues					
Vessel operating income					
Hire income		575,593	496,223	-	-
Freight income		238,791	238,571	-	-
Total vessel operating income		814,384	734,794	-	-
Service income	5	5,390	841	18,173	12,365
Gains on sales of equipment		272	41	272	41
Gains on novation of shipbuilding contracts	14	305,101	130,678	305,101	130,678
Interest income	5	2,730	4,937	4,269	4,050
Exchange gains		-	2,272	-	4,226
Other income		3,328	2,163	2,737	8
Dividend received	5	-	-	116,000	212,450
Total revenues		1,131,205	875,726	446,552	363,818
Expenses					
Vessel operating costs					
Vessel running expenses		304,171	218,050	-	-
Voyage disbursements		44,667	39,621	-	-
Bunker consumption		103,095	83,926	-	-
Total vessel operating costs		451,933	341,597	-	-
Depreciation		236,201	159,559	949	1,207
Cost of services		587	917	-	-
Administrative expenses	5	46,951	42,974	42,224	38,308
Management remuneration including perquisites	5	25,044	24,885	23,599	23,470
Bad debts and doubtful accounts		570	-	-	-
Exchange losses		5,226	-	4,546	-
Total expenses		766,512	569,932	71,318	62,985
Profit before share of profit from investment in associate, finance cost and corporate income tax		364,693	305,794	375,234	300,833
Share of profit from investment in associate held by a subsidiary	10.1	1,745	4,332	-	-
Profit before finance cost and corporate income tax		366,438	310,126	375,234	300,833
Finance cost		(145,489)	(110,326)	(75,832)	(82,066)
Profit before corporate income tax		220,949	199,800	299,402	218,767
Corporate income tax		(1,383)	84	-	-
Profit for the period		219,566	199,884	299,402	218,767
Profit attributable to:					
Equity holders of the Company		219,229	199,779	299,402	218,767
Non-controlling interests of the subsidiaries		337	105	-	-
Profit for the period		219,566	199,884	299,402	218,767
					(Unit: Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company	17	0.21	0.19	0.29	0.21

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity
Statements of comprehensive income
For the three-month periods ended 30 September 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Profit for the period	<u>219,566</u>	<u>199,884</u>	<u>299,402</u>	<u>218,767</u>
Other comprehensive income:				
Exchange differences on translation of foreign operation's financial statements	6,072	(12,311)	-	-
Exchange differences on translation of functional currency to presentation currency financial statements	<u>(475,084)</u>	<u>204,389</u>	<u>(385,357)</u>	<u>166,093</u>
Other comprehensive income for the period	<u>(469,012)</u>	<u>192,078</u>	<u>(385,357)</u>	<u>166,093</u>
Total comprehensive income for the period	<u>(249,446)</u>	<u>391,962</u>	<u>(85,955)</u>	<u>384,860</u>
Total comprehensive income attributable to:				
Equity holders of the Company	(249,776)	391,426	(85,955)	384,860
Non-controlling interests of the subsidiaries	<u>330</u>	<u>536</u>	<u>-</u>	<u>-</u>
	<u>(249,446)</u>	<u>391,962</u>	<u>(85,955)</u>	<u>384,860</u>

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity**Income statements****For the nine-month periods ended 30 September 2012 and 2011**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Revenues					
Vessel operating income					
Hire income		1,615,620	1,607,428	-	-
Freight income		977,184	671,408	-	-
Total vessel operating income		2,592,804	2,278,836	-	-
Service income	5	8,245	3,505	51,837	37,870
Gains on sales of equipment		272	1,420	272	1,423
Gains on novation of shipbuilding contracts	14	305,101	319,168	305,101	319,168
Interest income	5	15,157	16,472	17,808	15,403
Exchange gains		-	-	-	224
Other income		3,330	2,165	2,739	10
Dividend received	5, 8	-	507	380,750	771,306
Total revenues		2,924,909	2,622,073	758,507	1,145,404
Expenses					
Vessel operating costs					
Vessel running expenses		886,647	636,687	-	-
Voyage disbursements		152,250	92,493	-	-
Bunker consumption		443,179	198,167	-	-
Total vessel operating costs		1,482,076	927,347	-	-
Depreciation	11	658,624	474,549	3,006	3,647
Cost of services		3,480	4,677	-	-
Administrative expenses	5	132,994	137,967	115,940	118,463
Management remuneration including perquisites	5	66,171	75,693	63,003	71,586
Bad debts and doubtful accounts		20,034	124	-	-
Exchange losses		5,867	3,639	7,047	-
Total expenses		2,369,246	1,623,996	188,996	193,696
Profit before share of profit (loss) from investment in associate, finance cost and corporate income tax		555,663	998,077	569,511	951,708
Share of profit (loss) from investment in associate held by a subsidiary	10.1	(9,146)	2,989	-	-
Profit before finance cost and corporate income tax		546,517	1,001,066	569,511	951,708
Finance cost		(349,648)	(286,707)	(154,426)	(208,636)
Profit before corporate income tax		196,869	714,359	415,085	743,072
Corporate income tax		(3,621)	(3,140)	-	-
Profit for the period		193,248	711,219	415,085	743,072
Profit attributable to:					
Equity holders of the Company		191,411	709,695	415,085	743,072
Non-controlling interests of the subsidiaries		1,837	1,524	-	-
Profit for the period		193,248	711,219	415,085	743,072
					(Unit: Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company	17	0.18	0.68	0.40	0.72

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity
Statements of comprehensive income
For the nine-month periods ended 30 September 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Profit for the period	<u>193,248</u>	<u>711,219</u>	<u>415,085</u>	<u>743,072</u>
Other comprehensive income:				
Exchange differences on translation of foreign operation's financial statements	4,280	(12,925)	-	-
Exchange differences on translation of functional currency to presentation currency financial statements	<u>(418,593)</u>	<u>496,098</u>	<u>(339,507)</u>	<u>398,663</u>
Other comprehensive income for the period	<u>(414,313)</u>	<u>483,173</u>	<u>(339,507)</u>	<u>398,663</u>
Total comprehensive income for the period	<u>(221,065)</u>	<u>1,194,392</u>	<u>75,578</u>	<u>1,141,735</u>
Total comprehensive income attributable to:				
Equity holders of the Company	(222,533)	1,191,856	75,578	1,141,735
Non-controlling interests of the subsidiaries	<u>1,468</u>	<u>2,536</u>	-	-
	<u>(221,065)</u>	<u>1,194,392</u>	<u>75,578</u>	<u>1,141,735</u>

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity**Cash flow statements****For the nine-month periods ended 30 September 2012 and 2011**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cash flows from operating activities				
Profit before tax	196,869	714,359	415,085	743,072
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	665,606	481,356	9,978	10,450
Bad debts and doubtful accounts	20,034	124	-	-
Gains on sales of equipment	(272)	(1,420)	(272)	(1,423)
Gains on novation of shipbuilding contracts	(305,101)	(319,168)	(305,101)	(319,168)
Write-off deferred financial fee due to cancellation of loan facility	43,124	13,718	43,124	13,718
Share of (profit) loss from investment in associate held by a subsidiary	9,146	(2,989)	-	-
Provisions for maritime claims (reversal)	1,215	(472)	-	-
Provision for long-term employee benefits	4,357	4,446	4,201	4,301
Unrealised exchange (gains) losses	7,133	(1,515)	6,338	(3,801)
Amortised financial fees to interest expense	20,395	4,322	-	-
Interest expense	172,087	69,687	-	-
Interest income	(14,466)	(15,203)	(17,387)	(15,133)
Profit from operating activities before changes in operating assets and liabilities	820,127	947,245	155,966	432,016
Operating assets (increase) decrease				
Trade and other receivables	(101,068)	(87,270)	1,024,595	639,733
Bunker oil	(35,262)	(20,931)	-	-
Other current assets	(22,503)	(24,336)	2,266	6,118
Other non-current assets	(17,207)	(2,994)	1	-
Operating liabilities increase (decrease)				
Trade and other payables	(19,429)	(63,187)	(486,499)	84,100
Advances received from charterers	(57,518)	(10,327)	-	-
Other current liabilities	2,660	16,176	(8,166)	14,884
Non-current liabilities	(33,390)	(30,586)	(30,766)	(27,883)
Cash flows from operating activities	536,410	723,790	657,397	1,148,968
Cash paid for corporate income tax and withholding tax deducted at source	(3,711)	(10,069)	(2,449)	(2,378)
Net cash flows from operating activities	532,699	713,721	654,948	1,146,590

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity**Cash flow statements (continued)**

For the nine-month periods ended 30 September 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cash flows from investing activities				
Acquisitions of vessels and equipment and payment of dry-dock and special survey expenses	(2,081,529)	(73,590)	(3,626)	(259)
Acquisitions of computer software	-	(351)	-	(290)
Cash paid for advances for vessel constructions and other direct costs	(1,570,315)	(1,339,485)	(165,036)	(944,329)
Cash paid for advances for vessel purchase	(239,231)	(241,007)	-	-
Cash received from novation of shipbuilding contracts	1,725,562	2,167,573	1,725,562	2,167,573
Proceeds from sales of equipment	272	1,501	272	1,501
Dividend received from associate held by a subsidiary	-	3,375	-	-
Increase in investments in a subsidiaries	-	-	(909,000)	-
Increase in short-term loans to a subsidiary	-	-	(165,142)	-
Interest income	14,466	15,203	17,387	15,133
Net cash flows from (used in) investing activities	(2,150,775)	533,219	500,417	1,239,329
Cash flows from financing activities				
Cash paid for interest expenses and commitment fee	(228,571)	(110,857)	(24,129)	(38,894)
Cash paid for deferred financial fees	(49,681)	(333)	(35,318)	-
Cash received from long-term loans	2,669,609	1,396,641	-	655,071
Repayment of long-term loans	(2,129,762)	(1,975,718)	(1,261,372)	(1,843,932)
Dividend paid to the Company's shareholders	(363,764)	(488,507)	(363,764)	(488,507)
Dividend paid to non-controlling interests of the subsidiary	(34,183)	-	-	-
Net cash flows used in financing activities	(136,352)	(1,178,774)	(1,684,583)	(1,716,262)
Increase (decrease) in translation adjustments	(101,685)	146,315	(71,633)	89,429
Net increase (decrease) in cash and cash equivalents	(1,856,113)	214,481	(600,851)	759,086
Cash and cash equivalents at beginning of period	4,374,711	4,223,423	2,719,519	2,041,349
Cash and cash equivalents at end of period	2,518,598	4,437,904	2,118,668	2,800,435
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The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity

Cash flow statements (continued)

For the nine-month periods ended 30 September 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Supplemental cash flows information				
Non-cash transactions				
Dividend income from subsidiaries offset against receivables from/payables to subsidiaries	-	-	380,750	770,799
Amortisation of financial fees to advances for vessel constructions	981	1,389	725	1,237
Transfer of interest expense and commitment fee to advances for vessel constructions	60,951	37,415	20,083	35,102
Transfer of financial fees to present as a deduction from long-term loans	56,297	6,292	1,221	4,823
Transfer of deferred financial fees to subsidiary in proportion to the drawdown amount	-	-	4,358	4,270
Transfer of advances for vessel constructions to vessel and equipment of subsidiaries	2,638,309	918,294	917,527	918,294
Adjustment of deferred financial fee and advances for vessel constructions	-	(979)	-	(979)
Adjustment of provision for long-term employee benefits with the beginning balance of retained earnings	-	(57,408)	-	(51,551)

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

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Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity

Statements of changes in shareholders' equity

For the nine-month periods ended 30 September 2012 and 2011

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Consolidated financial statements

	Equity attributable to the parent's shareholders										
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury stock	Retained earnings				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
				Appropriated		Corporate social responsibility reserve	Unappropriated				
				Statutory reserve							
				The Company	Subsidiaries						
Balance as at 1 January 2011	1,039,521	411,430	172,446	103,952	518,120	14,336	14,448,545	(2,183,075)	14,525,275	29,283	
Dividend paid to the Company's shareholders	-	-	-	-	-	-	(488,507)	-	(488,507)	-	
Total comprehensive income for the period	-	-	-	-	-	-	709,695	482,161	1,191,856	2,536	
Appropriated to corporate social responsibility reserve	-	-	-	-	-	2,264	(2,264)	-	-	-	
Balance as at 30 September 2011	1,039,521	411,430	172,446	103,952	518,120	16,600	14,667,469	(1,700,914)	15,228,624	31,819	
Balance as at 1 January 2012	1,039,521	411,430	172,446	103,952	518,120	15,333	14,521,659	(1,459,091)	15,323,370	33,129	
Dividend paid to the Company's shareholders (Note 19)	-	-	-	-	-	-	(363,764)	-	(363,764)	-	
Dividend paid to non-controlling interests of the subsidiary	-	-	-	-	-	-	-	-	-	(34,183)	
Total comprehensive income for the period	-	-	-	-	-	-	191,411	(413,944)	(222,533)	1,468	
Appropriated to corporate social responsibility reserve	-	-	-	-	-	466	(466)	-	-	-	
Balance as at 30 September 2012	1,039,521	411,430	172,446	103,952	518,120	15,799	14,348,840	(1,873,035)	14,737,073	414	
	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	

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

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uit: Thousand Baht)

Total
shareholders'
equity
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14,554,558
(488,507)
1,194,392
-
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15,260,443
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-
15,356,499
(363,764)
(34,183)
(221,065)
-
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14,737,487
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-
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(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity

Statements of changes in shareholders' equity (continued)

For the nine-month periods ended 30 September 2012 and 2011

(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		Unappropriated	Exchange differences on translation of financial statements		
				Statutory reserve	Appropriated				
					Corporate social responsibility reserve				
Balance as at 1 January 2011	1,039,521	411,430	172,446	103,952	14,336	10,458,600	(662,415)	11,537,870	
Dividend paid to the Company's shareholders	-	-	-	-	-	(488,507)	-	(488,507)	
Total comprehensive income for the period	-	-	-	-	-	743,072	398,663	1,141,735	
Appropriated to corporate social responsibility reserve	-	-	-	-	2,264	(2,264)	-	-	
Balance as at 30 September 2011	<u>1,039,521</u>	<u>411,430</u>	<u>172,446</u>	<u>103,952</u>	<u>16,600</u>	<u>10,710,901</u>	<u>(263,752)</u>	<u>12,191,098</u>	
	-	-	-	-	-	-	-	-	
Balance as at 1 January 2012	1,039,521	411,430	172,446	103,952	15,333	10,624,884	(59,831)	12,307,735	
Dividend paid to the Company's shareholders (Note 19)	-	-	-	-	-	(363,764)	-	(363,764)	
Total comprehensive income for the period	-	-	-	-	-	415,085	(339,507)	75,578	
Appropriated to corporate social responsibility reserve	-	-	-	-	466	(466)	-	-	
Balance as at 30 September 2012	<u>1,039,521</u>	<u>411,430</u>	<u>172,446</u>	<u>103,952</u>	<u>15,799</u>	<u>10,675,739</u>	<u>(399,338)</u>	<u>12,019,549</u>	
	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	

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

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity

Notes to interim financial statements

For the three-month and nine-month periods ended 30 September 2012 and 2011

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 components 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, jointly controlled entity and associates (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2011.

There have been no changes in the composition of the Group during the current period.

2. New accounting standards not yet effective

During the period, the Federation of Accounting Professions issued the financial reporting standard No. 8 Operating Segments that is effective for fiscal years beginning on or after 1 January 2013.

The Company’s management believes that the above accounting standard will not have any significant impact on the financial statements for the year when it is initially applied.

3. Current investment

(Unit: Thousand Baht)

Consolidated financial statements								
Paid-up capital		Shareholding percentage		Cost		Carrying amounts based on equity method		
30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011	
Thousand INR	Thousand INR	%	%					
Investment in associate held by a subsidiary								
Southern LPG Limited	64,592	64,592	50.00	50.00	<u>26,906</u>	<u>27,658</u>	16,929	17,403
Less: Allowance for loss on investment							<u>(16,929)</u>	<u>(17,403)</u>
Current investment - net							<u>-</u>	<u>-</u>

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.

(Unaudited but reviewed)

4. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2012	2011	2012	2011
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of invoice date				
Past due				
Up to 3 months	194,147	104,741	-	-
3 - 6 months	4,368	117	-	-
6 - 12 months	4,697	20,236	-	-
Over 12 months	33,362	20,109	-	-
Total	236,574	145,203	-	-
Less: Allowance for doubtful accounts	(33,362)	(20,109)	-	-
Total trade receivables - unrelated parties, net	203,212	125,094	-	-
<u>Other receivables - related parties</u>				
Advances to related parties	-	-	692,717	771,933
Total other receivables - related parties	-	-	692,717	771,933
Trade and other receivables - net	203,212	125,094	692,717	771,933

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 30 September			
	Consolidated		Separate	
	2012	2011	2012	2011
Transactions with subsidiaries				
(Eliminated from consolidated financial statements)				
Service income - management fees	-	-	16,298	11,759
Dividend received	-	-	116,000	212,450
				Fixed rate per vessel per day set with reference to the administrative cost of the Company
				As declared

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2012	2011	2012	2011	
Interest income	-	-	2,454	1,977	At interest rate of 0.40% per annum (2011: 0.40% per annum)
Condominium rental expenses	-	-	2,274	2,346	Market price
Transaction with jointly controlled entity					
(Eliminated from consolidated financial statements in proportion with the Company's shareholding)					
Vessel construction supervision income	938	304	1,875	606	In accordance with contract based on market practice
Transactions with related companies					
Dividend received	-	3,375	-	-	As declared
Air ticket expenses	1,686	1,777	805	684	Market price
Rental and service expenses	794	747	644	546	Market price
Computer purchases	-	72	-	72	Market price

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2012	2011	2012	2011	
Transactions with subsidiaries					
(Eliminated from consolidated financial statements)					
Service income - management fees	-	-	46,230	33,603	Fixed rate per vessel per day set with reference to the administrative cost of the Company
Dividend received	-	-	380,750	770,799	As declared
Interest income	-	-	7,007	8,827	At interest rates of 0.40% per annum (2011: 0.40% and 0.70% per annum)
Condominium rental expenses	-	-	6,945	7,037	Market price
Sales of newbuilding vessels	-	-	917,527	918,294	At cost

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2012	2011	2012	2011	
Transaction with jointly controlled entity					
(Eliminated from consolidated financial statements in proportion with the Company's shareholding)					
Vessel construction supervision income	2,804	2,134	5,607	4,267	In accordance with contract based on market practice
Transactions with related companies					
Dividend received	-	3,375	-	-	As declared
Air ticket expenses	7,647	5,740	2,979	2,605	Market price
Rental and service expenses	5,426	4,984	4,595	4,039	Market price
Computer purchases	1,119	404	418	404	Market price

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2012	2011	2012	2011
<u>Other receivables - related parties (Note 4)</u>				
Subsidiaries	-	-	534,289	731,132
Jointly controlled entity	-	-	158,428	40,801
Total other receivables - related parties	-	-	692,717	771,933
<u>Trade and other payables - related parties</u>				
Subsidiaries	-	-	2,872,095	3,430,581
Related companies	33	91	33	32
Total trade and other payables - related parties	33	91	2,872,128	3,430,613

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.

(Unaudited but reviewed)

Directors and management's benefits

The Company and its subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2012	2011	2012	2011
Short-term employee benefits	21,138	21,706	20,057	20,572
Post-employment benefits	492	596	492	596
Other long-term benefits	3,414	2,583	3,050	2,302
Total	<u>25,044</u>	<u>24,885</u>	<u>23,599</u>	<u>23,470</u>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2012	2011	2012	2011
Short-term employee benefits	55,231	53,273	53,085	51,417
Post-employment benefits	1,485	1,771	1,485	1,771
Other long-term benefits	9,455	20,649	8,433	18,398
Total	<u>66,171</u>	<u>75,693</u>	<u>63,003</u>	<u>71,586</u>

Guarantee obligations with related parties

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

6. Short-term loans to a subsidiary

As at 30 September 2012, short-term loans to a wholly owned subsidiary are in the form of promissory notes in US Dollar, amounting to USD 76.80 million (31 December 2011: USD 71.80 million), which carry interest at the rate of 0.40% per annum (31 December 2011: 0.40% per annum), and are due at call. Movements in the balance of the loans during the period were as follows.

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			30 September 2012
	31 December 2011	Increase	Translation adjustment	
Short-term loans to a subsidiary				
Precious Shipping (Singapore) Pte. Limited	<u>2,275,428</u>	<u>165,142</u>	<u>(72,918)</u>	<u>2,367,652</u>

7. Long-term loan to jointly controlled entity

As at 30 September 2012, long-term loan to jointly controlled entity is in the form of promissory note in US Dollar, amounting to USD 8.55 million (31 December 2011: USD 8.55 million), has no interest, and is due at call. However, the Company does not intend to call for the loan repayment in the foreseeable future; therefore, the loan is classified as long-term loan. The loan represents Company's contribution (in lieu of equity capital) to the jointly controlled entity in proportion with the Company's shareholding (50%) in the jointly controlled entity. An equal amount is also received by the jointly controlled entity from the other partner shareholder. These loans have been made to enable the 3 SPC subsidiaries of the jointly controlled entity to pay the installments due to the shipbuilder. Movements in the balance of the loan during the period were as follows.

(Unit: Thousand Baht)

	Separate financial statements		
	31 December 2011	Translation adjustment	30 September 2012
Long-term loan to jointly controlled entity			
Associated Bulk Carriers Pte. Limited	<u>270,960</u>	<u>(7,374)</u>	<u>263,586</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	
	30	31	30	31	30	31	For the nine-month periods ended	
	September	December	September	December	September	December	30 September	
	2012	2011	2012	2011	2012	2011	2012	2011
			%	%				
Precious Metals Limited	275,000	250,000	99.99	99.99	326,652	310,698	-	-
Precious Wishes Limited	230,000	230,000	99.99	99.99	278,063	285,842	32,200	23,000
Precious Stones Shipping Limited	260,000	260,000	99.99	99.99	259,745	267,012	31,200	5,200
Precious Minerals Limited	230,000	230,000	99.99	99.99	236,194	242,802	23,000	32,200
Precious Lands Limited	84,000	84,000	99.99	99.99	75,963	78,088	-	-
Precious Rivers Limited	234,000	234,000	99.99	99.99	196,470	201,966	35,100	70,200
Precious Lakes Limited	99,000	99,000	99.99	99.99	87,039	89,474	-	-
Precious Seas Limited	100,000	100,000	99.99	99.99	120,897	124,279	40,000	72,000
Precious Stars Limited	105,000	105,000	99.99	99.99	126,942	130,493	21,000	31,500
Precious Oceans Limited	175,000	175,000	99.99	99.99	211,570	217,488	-	63,000
Precious Planets Limited	270,000	100,000	99.99	99.99	286,877	124,279	-	-
Precious Diamonds Limited	205,000	205,000	99.99	99.99	179,605	184,630	61,500	92,250
Precious Sapphires Limited	144,000	144,000	99.99	99.99	121,854	125,262	43,200	57,600
Precious Emeralds Limited	366,000	366,000	99.99	99.99	292,187	300,361	-	36,600
Precious Rubies Limited	84,000	84,000	99.99	99.99	75,963	78,088	-	-
Precious Opals Limited	74,000	74,000	99.99	99.99	68,138	70,044	-	-
Precious Garnets Limited	379,000	379,000	99.99	99.99	301,372	309,803	18,950	7,580
Precious Pearls Limited	173,000	73,000	99.99	99.99	172,131	75,817	-	-
Precious Flowers Limited	336,000	76,000	99.99	99.99	331,882	78,230	-	-
Precious Forests Limited	96,000	96,000	99.99	99.99	92,177	94,755	-	-
Precious Trees Limited	202,000	80,000	99.99	99.99	201,422	81,886	-	-
Precious Ponds Limited	84,000	84,000	99.99	99.99	79,375	81,595	-	-
Precious Ventures Limited	202,000	80,000	99.99	99.99	218,482	99,423	-	-
Precious Capitals Limited	200,000	200,000	99.99	99.99	241,794	248,558	-	40,000
Precious Jasmines Limited	147,000	147,000	99.99	99.99	164,273	168,869	-	-
Precious Orchids Limited	217,000	217,000	99.99	99.99	185,635	190,827	-	2,170
Precious Lagoons Limited	140,000	140,000	99.99	99.99	169,256	173,990	-	60,200
Precious Cliffs Limited	140,000	140,000	99.99	99.99	169,256	173,990	-	23,800
Precious Hills Limited	140,000	140,000	99.99	99.99	169,256	173,990	26,600	42,000
Precious Mountains Limited	140,000	140,000	99.99	99.99	169,256	173,990	14,000	28,000
Precious Resorts Limited	140,000	140,000	99.99	99.99	169,256	173,990	-	7,000
Precious Cities Limited	170,000	170,000	99.99	99.99	192,465	197,849	34,000	76,499
Precious Comets Limited	71,100	71,100	99.99	99.99	55,675	57,233	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Subsidiaries' name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Cost		Dividend received	
	30	31	30	31	30	31	For the nine-month periods ended	
	September	December	September	December	September	December	30 September	
	2012	2011	2012	2011	2012	2011	2012	2011
			%	%				
Precious Ornaments Limited	68,100	68,100	99.99	99.99	53,328	54,820	-	-
Nedtex Limited	2,500	2,500	69.99	69.99	784	806	-	-
Precious Storage Terminals Limited	6,000	6,000	69.99	69.99	5,077	5,219	-	-
Thebes Pte. Limited	0.0365	0.0365	100.00	100.00	-	-	-	-
Precious Shipping (Panama) S.A.	250	250	99.99	99.99	308	317	-	-
Precious Shipping (Mauritius) Limited	250	250	100.00	100.00	308	317	-	-
Precious Shipping (Singapore) Pte. Limited	363,338	363,338	100.00	100.00	323,410	332,457	-	-
Precious Shipping (UK) Limited	250	250	99.99	99.99	308	317	-	-
Great Circle Shipping Agency Limited	210,000	100,000	99.99	99.99	334,313	230,226	-	-
Precious Projects Pte. Limited	0.0345	0.0345	100.00	100.00	-	-	-	-
Total investments in subsidiaries					6,744,958	6,010,080	380,750	770,799
Less: Allowance for loss on investments in subsidiaries					(6,169)	(6,342)		
Total investments in subsidiaries - net					6,738,789	6,003,738		

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 changes below in the investments is from the exchange differences on translation of functional currency to presentation currency.

During the nine-month period ended 30 September 2012, the Company subscribed and paid for newly issued ordinary shares of subsidiaries as detailed below.

Subsidiaries' name	Date of payment for newly issued ordinary shares	New ordinary shares		
		Par value	No. of shares	Total value
		(Baht)	(Million Shares)	(Million Baht)
Precious Metals Limited	24 February 2012	100.00	0.25	25.00
Precious Planets Limited	24 February 2012	100.00	1.70	170.00
Great Circle Shipping Agency Limited	15 March 2012	100.00	1.10	110.00
Precious Ventures Limited	23 May 2012	100.00	1.22	122.00

(Unaudited but reviewed)

Subsidiaries' name	Date of payment for newly issued ordinary shares	New ordinary shares		
		Par value	No. of shares	Total value
		(Baht)	(Million Shares)	(Million Baht)
Precious Trees Limited	23 May 2012	100.00	1.22	122.00
Precious Pearls Limited	27 June 2012	100.00	1.00	100.00
Precious Flowers Limited	27 June 2012	100.00	2.60	260.00

9. Investment in joint venture

9.1 Details of investment in joint venture

Investment in joint venture represents investment under joint venture agreement in Associated Bulk Carriers Pte. Limited ("the ABC Company") which is jointly controlled by the Company and Varada Marine Pte. Limited for the purpose of owning and operating cement carriers. Details of the investment are as follows.

(Unit: Baht)

Jointly controlled entity's name	Nature of business	Separate financial statements				Carrying amounts based on cost method	
		Shareholding percentage		Cost		30 September 2012	31 December 2011
		30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011
		%	%				
Associated Bulk Carriers Pte. Limited	Holding company	50	50	31	32	31	32

The change in cost of investment in joint venture is from the exchange differences on translation of functional currency to presentation currency.

9.2 Summarised financial information of jointly controlled entity

The consolidated financial statements include the Company's proportionate shares of the assets, liabilities, revenues and expenses of Associated Bulk Carriers Pte. Limited, according to the proportion under the joint venture agreement as follows.

(Unit: Thousand Baht)

	30 September 2012	31 December 2011
Cash and cash equivalents	3,119	12,174
Other current assets	988	1,016
Advances for vessel constructions	545,064	455,719

(Unaudited but reviewed)

(Unit: Thousand Baht)

	30 September 2012	31 December 2011
Deferred financial fees	13,330	3,289
Other non-current assets	26,991	10,304
Total assets	589,492	482,502
Trade and other payables	3,284	1,860
Current portion of long-term loan	2,888	8,893
Long term loan - net of current portion	170,387	168,969
Total liabilities	176,559	179,722
Net assets	412,933	302,780

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2012	2011	2012	2011
Revenues	1	1	5	3
Administrative expenses	(83)	(164)	(463)	(366)
Exchange loss	(1)	-	(3)	(3)
Finance cost	(8)	(545)	2,874	(2,852)
Profit (loss) for the period	(91)	(708)	2,413	(3,218)

10. Investment in associate held by a subsidiary

10.1 Details of associate held by a subsidiary

(Unit: Thousand Baht)

Consolidated financial statements									
Associate's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method		
			30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011	
International Seaports (Haldia) Private Limited	Berth construction and development	India	22.40	22.40	62,818	64,576	102,917	111,681	

(Unaudited but reviewed)

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		For the nine-month periods ended	
	30 September		30 September	
	2012	2011	2012	2011
International Seaports (Haldia) Private Limited	1,745	4,332	(9,146)	2,989

Shares of profit (loss) from investment in associate held by a subsidiary for the three-month and nine-month periods ended 30 September 2012 and 2011, included in the consolidated income statements, were recorded based on the financial statements as at 30 June 2012 and 2011, respectively, prepared by the management of that company and not reviewed by auditor.

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 nine-month periods ended		Profit (Loss) for the nine-month periods ended	
	30 June		30 June		30 June		30 June		30 June	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	Thousand INR	Thousand INR								
International Seaports (Haldia) Private Limited	440,580	440,580	636,981	683,252	177,530	168,507	211,382	158,405	(40,831)	13,342

11. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2012	9,445,533	6,735
Acquisitions of vessels and equipment and payment of dry-dock and special survey expenses during period - at cost	2,465,441	3,626
Disposal/write-off during period - net book value at disposal/write-off date	(17)	(17)

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Transfer from advances for vessel constructions	2,638,309	-
Depreciation for period	(658,624)	(3,006)
Translation adjustment	(277,808)	(207)
Net book value as at 30 September 2012	<u>13,612,834</u>	<u>7,131</u>

12. Intangible assets

Movements of intangible assets account which are computer software during the nine-month period ended 30 September 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2012	22,782	22,725
Amortisation for period	(6,982)	(6,972)
Translation adjustment	(547)	(546)
Net book value as at 30 September 2012	<u>15,253</u>	<u>15,207</u>

13. Advances for vessel purchase

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

Subsidiary's name	Purchase price	Deposit paid (20% of the purchase price)	Delivery date
Precious Lands Limited	USD 19.40 million (or approximately Baht 598.08 million)	USD 3.88 million (or approximately Baht 119.62 million)	From 25 September 2012 to 25 October 2012
Precious Lakes Limited	USD 19.40 million (or approximately Baht 598.08 million)	USD 3.88 million (or approximately Baht 119.62 million)	From 25 October 2012 to 25 November 2012

As at 30 September 2012, deposits totaling USD 7.76 million (or approximately Baht 239.23 million) were paid into respective joint bank accounts.

14. Advances for vessel constructions

Movements of the advances for vessel constructions account during the nine-month period ended 30 September 2012 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2012	7,899,189	5,815,021
Additions	1,452,498	138,970
Interest costs and commitment fees	60,951	20,083
Amortisation of financial fees	981	725
Other direct costs	117,817	26,066
Transfer to cost of vessel and equipment of subsidiaries	(2,638,309)	(917,527)
Novation of shipbuilding contracts	(1,420,461)	(1,420,461)
Translation adjustment	(193,602)	(141,808)
Balance as at 30 September 2012	5,279,064	3,521,069
Less: Current portion of advances for vessel constructions	(394,982)	(394,982)
Advance for vessel constructions - net of current portion	<u>4,884,082</u>	<u>3,126,087</u>

During the nine-month period ended 30 September 2012, the Group made payment of installments to the shipbuilders as below.

	(Million USD)	(Equivalent to Million Baht)
The Company	4.53	138.97
Subsidiaries	39.20	1,226.00
Jointly controlled entity - proportion with the Company's shareholding (50%)	2.85	87.53
Total	<u>46.58</u>	<u>1,452.50</u>

During the nine-month period ended 30 September 2012, the amounts of borrowing costs capitalised were Baht 60.95 million in the consolidated financial statements and Baht 20.08 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% - 2.97% in the consolidated financial statements and 1.43% - 1.78% in the separate financial statements.

Cash received from novation of shipbuilding contracts

Novation of the Shipbuilding Contracts for the Vessel Hull No. 333 and Hull No. 315 were signed on 21 December 2011 and 25 January 2012, respectively. Under the terms of the Novation, the New Buyer shall pay to the Company as follows.

Novation Agreement for Hull No.	If the payment is made on Initial Payment Date (31 May 2012)	If the payment is made during the Extended Payment Period (1 - 20 June 2012)
Hull No. 333	An amount equal to USD 22,839,174	Aforesaid amount (USD 22,839,174) plus interest accrued on an amount of USD 17,999,997 (installments paid to the Builder) at a rate of 7.50% per annum from 31 May 2012 to the date of such payment. Therefore, if the payment is made on the last date of the Extended Payment Period above on 20 June 2012, the maximum total amount will be USD 22,913,147
Novation Agreement for Hull No.	If the payment is made on Initial Payment Date (10 July 2012)	If the payment is made during the Extended Payment Period (11 - 26 July 2012)
Hull No. 315	An amount equal to USD 28,158,052	Aforesaid amount (USD 28,158,052) plus interest accrued on an amount of USD 22,799,998 (installments paid to the Builder) at a rate of 7.50% per annum from 10 July 2012 to the date of such payment. Therefore, if the payment is made on the last date of the Extended Payment Period above on 26 July 2012, the maximum total amount will be USD 28,233,011

During the nine-month period ended 30 September 2012, the Company received USD 51.65 million or approximately Baht 1,614.70 million against the above Novation Agreements. The Company has recorded gains on Novation of Shipbuilding Contracts amounting to USD 9.76 million or approximately Baht 305.10 million in the consolidated and separate income statements for the three-month and nine-month periods ended 30 September 2012.

Novation of further 4 Shipbuilding Contracts

On 10 September 2012, the Company has signed further 4 Novation Agreements with Global Bulk Carriers Pte. Ltd. (the “New Buyer”) and ABG Shipyard Ltd., India (the “Shipbuilder”), for disposal to the New Buyer of the 4 Shipbuilding Contracts of Hull Nos. 336, 340, 316 and 347. 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 and by settlement (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 Shipbuilding Contracts of Hull Nos. 337, 342, 348 and 349). Details of the Novations of the Shipbuilding Contracts and Consideration to be paid are as follows.

Hull No.	Details of novated shipbuilding contract				Novation Consideration to be paid 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) ⁽¹⁾	Termination date	Pay (adjust) the next installment of Hull No.	Maximum amount (USD) ⁽²⁾
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

(1) if the payment is made on the last payment date

(2) if the payment (by way of adjustment) is made on the Termination Date

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 nine-month period ended 30 September 2012, the Company received part of the novation consideration for Hull No. 316 amounting to USD 3.55 million or approximately Baht 110.87 million. The Company is in discussion with the New Buyer and the Shipbuilder with respect to the balance of the proceeds.

Amendment of the Shipbuilding Contract

On 27 August 2012, the Company has executed the Addendum Agreement to the Shipbuilding Contract dated 20 July 2007 with ABG Shipyard Ltd., India for the construction of Hull No. 335, mainly to amend the Contract Price from USD 29,999,997 to USD 23,000,000 and the Delivery Date from 30 March 2012 (including 90 days' grace period) to 31 January 2013.

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

On 26 March 2012, the second vessel (Hull No. 334) under the Shipbuilding Contracts with ABG Shipyard Ltd., India was completed and delivered to the Company's indirect subsidiary incorporated in Singapore (Precious Fragrance Pte. Limited). The Company, therefore, transferred advances for vessel construction and other direct

(Unaudited but reviewed)

costs which were relevant to the vessel, totaling USD 29.88 million or approximately Baht 917.53 million, and recorded as cost of vessel and equipment of the aforesaid indirect subsidiary.

Delivery of vessel under the Shipbuilding Contracts with Yangzhou Guoyu Shipbuilding Co. Ltd., China

During the nine-month period ended 30 September 2012, 2 vessels were completed and delivered to the Company's indirect subsidiaries incorporated in Singapore as detailed below.

Delivery date	Subsidiary's name	Cost of vessel construction and other direct costs
10 August 2012	Precious Comforts Pte. Limited	USD 27.51 million (or approximately Baht 859.95 million)
19 September 2012	Precious Sparks Pte. Limited	USD 27.54 million (or approximately Baht 860.83 million)

15. Deferred financial fees

Movements of the deferred financial fees account during the nine-month period ended 30 September 2012 are summarised below.

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Balance as at 1 January 2012	211,832	168,155
Additions	49,681	35,318
Transfer to present as a deduction against long-term loans	(56,297)	(1,221)
Transfer to subsidiaries as borrowers	-	(44,047)
Write-off deferred financial fee due to cancellation and reduction of loan facility	(39,895)	(39,895)
Translation adjustment	(5,059)	(4,008)

(Unaudited but reviewed)

Balance as at 30 September 2012

160,262

114,302

(Unaudited but reviewed)

16. Long-term loan facilities

As at 30 September 2012 and 31 December 2011, 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		Total	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011
Long-term loans	1,910,434	2,782,249	175,724	180,640	561,084	-	4,898,213	4,189,231	7,545,455	7,152,120
Less: Deferred financial fees	(11,206)	(15,536)	(2,449)	(2,778)	(10,877)	-	(129,782)	(107,431)	(154,314)	(125,745)
Total	1,899,228	2,766,713	173,275	177,862	550,207	-	4,768,431	4,081,800	7,391,141	7,026,375
Less: Current portion of long-term loans	(87,653)	(329,924)	(2,888)	(8,893)	(42,807)	-	(122,438)	(379,732)	(255,786)	(718,549)
Long-term loans - net of current portion	1,811,575	2,436,789	170,387	168,969	507,400	-	4,645,993	3,702,068	7,135,355	6,307,826

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements	
	Loan facilities for financing the construction and acquisition of new vessels	
	Facility 1	
	30 September 2012	31 December 2011
Total long-term loans	838,543	2,155,001
Less: Deferred financial fees	(4,017)	(11,399)
Total	834,526	2,143,602
Less: Current portion of long-term loans	(12,267)	(286,951)
Long-term loans - net of current portion	822,259	1,856,651

Movements in the long-term loan accounts during the nine-month period ended 30 September 2012 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	Total
Balance as at 1 January 2012	2,766,713	177,862	-	4,081,800	7,026,375
Add: Drawdown	565,093	-	568,936	1,535,580	2,669,609
Amortisation of financial fees	1,955	256	-	19,165	21,376
Write-off deferred financial fee due to cancellation of loan facility	3,229	-	-	-	3,229
Unrealised exchange loss	-	-	-	30,933	30,933
Less: Deferred financial fees	(1,221)	-	(11,029)	(44,047)	(56,297)
Repayment	(1,368,752)	-	-	(761,010)	(2,129,762)
Translation adjustment	(67,789)	(4,843)	(7,700)	(93,990)	(174,322)
Balance as at 30 September 2012	1,899,228	173,275	550,207	4,768,431	7,391,141

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements
	Loan facilities for financing the construction and acquisition of new vessels
	Facility 1
Balance as at 1 January 2012	2,143,602
Add: Amortisation of financial fees	725
Transfer of deferred financial fee to subsidiary	4,358
Write-off deferred financial fees due to cancellation of loan facility	3,229
Less: Deferred financial fees	(1,221)
Repayment	(1,261,372)
Translation adjustment	(54,795)
Balance as at 30 September 2012	<u>834,526</u>

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

Loan facilities for financing the construction and acquisition of new vessels

Facility 1

During the nine-month period ended 30 September 2012, the Company and its subsidiaries in Singapore have executed the Supplemental Deed to prepay the loan drawn and to cancel the undrawn balance Loan Facility against the following Shipbuilding Contracts.

Hull No.	Loan Prepayment Amount (USD)	Loan Facility Cancellation Amount (USD)	Prepayment Date
315	7,599,999	22,800,001	25 January 2012
316	7,599,999	22,800,001	27 July 2012
336	-	24,000,000	-
347	7,599,999	22,800,001	31 August 2012

Facility 4

On 15 February 2012, ABC Two Pte. Limited and ABC Three Pte. Limited, SPC subsidiaries of jointly controlled entity, where the Company holds 50% interest, have executed a USD 45.60 million Term Loan Facility with Bangkok Bank Public Company

Limited, (Singapore Branch) to finance up to 80% of the Contract Price of two new Cement Carriers ordered by the SPC subsidiaries on 22 April 2010. The loan carries interest at LIBOR plus margin.

Loan facilities for purchasing of vessels

Facility 1

At the end of the year 2011, 4 local subsidiaries had drawn USD 92.00 million and cancelled USD 58.00 million against the Term Loan Facility of USD 200.00 million for acquisition of second-hand vessels which the Company and local subsidiaries entered into vide main agreement dated 18 January 2007 as subsequently amended and restated on 23 February 2009, 29 October 2009 and 5 February 2010, with 3 local Banks. In order to extend the availability period of the balance of USD 50.00 million, on 9 March 2012, the Company and local subsidiaries executed a USD 50.00 million Term Loan Facility on same terms and conditions with one of the three Banks, viz., Thanachart Bank Public Company Limited and the subsidiaries have drawn the whole amount during the period.

On 18 May 2012, 4 local subsidiaries entered into USD Interest Rate Swap Agreements covering interest of the USD outstanding loans, whereby floating interest rates are to be swapped for fixed interest rates. The swap periods and payments are quarterly and correspond to the interest payment schedules of the underlying USD loans. The swap agreements are effective for interest payable during the period from 31 December 2014 to 30 September 2022.

Facility 2

On 19 July 2012, the Company has executed the Amending and Restating Agreement no. 2 of the Secured Term Loan Facility Agreement for the extension of the availability period of the Facility up to 30 June 2013, an increase in the margin and the withdrawal of one local Bank as one of the original Lenders, thereby reducing the amount of the total Loan Facility to USD 150.00 million.

Facility 3

On 17 February 2012, the Company has executed a USD 100 million Term Loan Facility with Export-Import Bank of Thailand to finance up to 80% of the Acquisition Cost of new or second-hand Dry Bulk Vessels that may be acquired by the Company. The loan carries interest at LIBOR plus margin.

(Unaudited but reviewed)

As at 30 September 2012, the Group's bank loan facilities and the undrawn loan balances are summarised below.

Facility	Bank	Borrower	Interest rate per loan agreement	(Unit: Million USD)	
				Maximum facility amount per loan agreement	Undrawn loan balance as at 30 September 2012
Loan facilities for financing the construction and acquisition of new vessels (Newbuildings)					
Facility 1	DNB NOR Bank ASA (Singapore Branch) and 5 other banks, total 6 banks	The Company and subsidiaries	LIBOR + margin	175.20	100.00
Facility 2	NIBC Bank Ltd., Singapore	ABC One Pte. Limited (a SPC subsidiary of the jointly controlled entity)	LIBOR + margin	22.80	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	63.72
Facility 4	Bangkok Bank PCL (Singapore Branch)	ABC Two Pte. Limited and ABC Three Pte. Limited (SPC subsidiaries of the jointly controlled entity)	LIBOR + margin	45.60	45.60

(Unaudited but reviewed)

(Unit: Million USD)

Facility	Bank	Borrower	Interest rate per loan agreement	Maximum facility amount per loan agreement	Undrawn loan balance as at 30 September 2012
Loan facilities for purchasing of vessels					
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	200.00	-
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
Facility 3	Export-Import Bank of Thailand	The Company and subsidiaries	LIBOR + margin	100.00	100.00

Under the loan facility for financing the construction and acquisition of new vessels (Facility 2), the Company holds 50% of the total shareholding in the SPC subsidiary of the jointly controlled entity, the maximum facility amount per Loan Agreement and the undrawn loan balance as at 30 September 2012 of the Company's portion is USD 11.40 million and USD 5.70 million, respectively.

Under the loan facility for financing the construction and acquisition of new vessels (Facility 4), the Company holds 50% of the total shareholding in the SPC subsidiaries of the jointly controlled entity, the maximum facility amount per Loan Agreement and the undrawn loan balance as at 30 September 2012 of the Company's portion is USD 22.80 million and USD 22.80 million, respectively.

17. Earnings per share

Basic earnings per share is calculated by dividing profit 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.

(Unaudited but reviewed)

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:

(Unit: Thousand Baht)

Consolidated financial statements										
For the three-month periods ended 30 September										
	Time charter		Voyage charter		Total		Elimination		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Hire income	588,473	503,163	-	-	588,473	503,163	(12,880)	(6,940)	575,593	496,223
Freight income	-	-	238,791	238,571	238,791	238,571	-	-	238,791	238,571
Total vessel operating income	588,473	503,163	238,791	238,571	827,264	741,734	(12,880)	(6,940)	814,384	734,794
Voyage disbursements	-	-	(57,547)	(46,561)	(57,547)	(46,561)	12,880	6,940	(44,667)	(39,621)
Bunker consumption	-	-	(103,095)	(83,926)	(103,095)	(83,926)	-	-	(103,095)	(83,926)
Total voyage expenses	-	-	(160,642)	(130,487)	(160,642)	(130,487)	12,880	6,940	(147,762)	(123,547)
Net vessel operating income/time charter equivalent income	588,473	503,163	78,149	108,084	666,622	611,247	-	-	666,622	611,247

(Unit: Thousand Baht)

Consolidated financial statements										
For the nine-month periods ended 30 September										
	Time charter		Voyage charter		Total		Elimination		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Hire income	1,653,514	1,639,126	-	-	1,653,514	1,639,126	(37,894)	(31,698)	1,615,620	1,607,428
Freight income	-	-	1,014,044	788,241	1,014,044	788,241	(36,860)	(116,833)	977,184	671,408
Total vessel operating income	1,653,514	1,639,126	1,014,044	788,241	2,667,558	2,427,367	(74,754)	(148,531)	2,592,804	2,278,836
Voyage disbursements	-	-	(227,004)	(241,024)	(227,004)	(241,024)	74,754	148,531	(152,250)	(92,493)
Bunker consumption	-	-	(443,179)	(198,167)	(443,179)	(198,167)	-	-	(443,179)	(198,167)
Total voyage expenses	-	-	(670,183)	(439,191)	(670,183)	(439,191)	74,754	148,531	(595,429)	(290,660)
Net vessel operating income/time charter equivalent income	1,653,514	1,639,126	343,861	349,050	1,997,375	1,988,176	-	-	1,997,375	1,988,176

19. Dividend

The dividends were approved for paying to the Company's ordinary shareholders as at the closing date of the share register, after deduction of the shares held by the registrar (Thailand Securities Depository Co., Ltd. for Depositors who are both Thai and Foreign shareholders), which are disqualified from receiving dividend, from the total number of shares outstanding (1,039,520,600 shares).

Dividends declared during the nine-month period ended 30 September 2012 consist of the following.

	Approved by	Qualified ordinary share (shares)	Shares held by the registrar (shares)	Dividend per share (Baht)	Dividend paid (Million Baht)	Paid date
a) Interim dividend based on the retained earnings as of 30 June 2012	Board of Directors' meeting on 6 August 2012	1,039,187,097	333,503	0.10	103.91	3 September 2012
b) Interim dividend based on the retained earnings as of 31 March 2012	Board of Directors' meeting on 14 May 2012	1,039,380,297	140,303	0.10	103.94	12 June 2012
c) Final dividend based on the retained earnings as of 31 December 2011	Annual General Meeting of the shareholders on 26 March 2012	1,039,382,300	138,300	0.15	155.91	5 April 2012
Total				<u>0.35</u>	<u>363.76</u>	

(Unaudited but reviewed)

20. Commitments and contingent liabilities

20.1 Vessel building contracts commitments

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

	30 September 2012		31 December 2011	
	(Million USD)	(Equivalent to Million Baht)	(Million USD)	(Equivalent to Million Baht)
The Company	146.60	4,519.50	268.40	8,505.92
Subsidiaries	14.70	453.18	53.90	1,708.15
Jointly controlled entity - proportion with the Company's shareholding (50%)	25.65	790.76	28.50	903.20
Total	186.95	5,763.44	350.80	11,117.27

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

As at 30 September 2012, 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 30 September 2012 (Million USD)	Terms of payment of commitment fees	Payable upto
Loan facilities for financing the construction and acquisition of new vessels (Newbuildings)				
Facility 1	0.35% per annum of undrawn loan balance	100.00	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	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	63.72	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	Every three months until the end of the drawdown period	Upon delivery of each vessel
Loan facilities for purchasing of vessels				
Facility 2	0.70% per annum of undrawn loan balance	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	100.00	Every three months until the end of the drawdown period	31 December 2012

Since the Company holds 50% of the total shareholding in the SPC subsidiaries of the jointly controlled entity, the undrawn loan balance of loan facility for financing the construction and acquisition of new vessels under Facility 2 and Facility 4 of the Company's portion is 50% of the undrawn loan balance.

20.3 Uncalled portion of other long-term investment

As at 30 September 2012, 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 2011: Baht 10.13 million).

20.4 Long-term time charter commitments

Pursuant to a Memorandum of Understanding signed in October 2009, on 2 December 2009, the Company signed Long-Term Time Charter Contracts with a company incorporated in India (the charterer) for 4 new cement carriers (3 definite vessels plus an additional vessel at Charterer's option to be declared). 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.

In 2011, the Company has nominated the 3 Long-Term Charter Contracts (3 definite vessels) to each SPC subsidiary of the jointly controlled entity. Since the Company holds 50% of the total shareholding in each SPC subsidiary (through the jointly controlled entity), the Company's portion is 50% of the commitments.

As at 30 September 2012, ABC One Pte. Limited (a SPC subsidiary of the jointly controlled entity) has paid the fine payable to the charterer due to the delay of vessel delivery amounting to USD 1.75 million or approximately Baht 53.98 million (31 December 2011: USD 0.65 million or approximately Baht 20.60 million). The Company's portion is 50% of the amount, which is USD 0.88 million or approximately Baht 26.99 million (31 December 2011: USD 0.33 million or approximately Baht 10.30 million) included in other non-current assets 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 (a SPC subsidiary of the jointly controlled entity).

21. Events after the reporting period

21.1 On 15 October 2012, a local subsidiary (Precious Lands Limited) took the delivery of the vessel, per details provided in Note 13 to the financial statements, and the entire purchase price was released to the seller of the vessel. The local subsidiary drew down loan from Export-Import Bank of Thailand of USD 15.52 million or approximately Baht 478.46 million which is 80% of the Acquisition Cost of the vessel.

21.2 On 22 October 2012, the third vessel under one of the Shipbuilding Contracts with Yangzhou Guoyu Shipbuilding Co., Ltd., China was completed and delivered to the Company's indirect subsidiary incorporated in Singapore (Precious Visions Pte. Limited).

22. Functional currency financial statements

The USD functional currency statements of financial position as at 30 September 2012 and 31 December 2011 and the income statements for the three-month and nine-month periods ended 30 September 2012 and 2011 are as follows.

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity Statements of financial position

	Consolidated		(Unit: Thousand USD) Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2012	2011	2012	2011
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	81,696	138,042	68,724	85,813
Current investment	-	-	-	-
Trade and other receivables	6,592	3,947	22,470	24,358
Short-term loans to a subsidiary	-	-	76,800	71,800
Current portion of advances for vessel constructions	12,812	41,882	12,812	41,882
Bunker oil	3,352	2,176	-	-

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity
Statements of financial position (continued)

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2012	2011	2012	2011
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Other current assets				
Advances to vessel masters	2,671	1,997	-	-
Claim recoverables	659	591	-	-
Others	1,495	1,372	446	438
Total other current assets	4,825	3,960	446	438
Total current assets	109,277	190,007	181,252	224,291
Non-current assets				
Investments in subsidiaries	-	-	218,588	189,445
Investment in joint venture	-	-	-	-
Investment in associate held by a subsidiary	3,338	3,524	-	-
Other long-term investment	260	260	260	260
Long-term loan to jointly controlled entity	-	-	8,550	8,550
Receivables from cross currency swap contracts	2,542	1,538	-	-
Property, plant and equipment	441,562	298,049	231	213
Intangible assets	495	719	493	717
Other non-current assets				
Claim recoverables - maritime claims	1,725	1,312	-	-
Advances for vessel purchase	7,760	12,500	-	-
Advances for vessel constructions - net of current portion	158,426	207,373	101,401	141,608
Deferred financial fees	5,198	6,684	3,708	5,306
Others	974	419	78	76
Total other non-current assets	174,083	228,288	105,187	146,990
Total non-current assets	622,280	532,378	333,309	346,175
Total assets	731,557	722,385	514,561	570,466
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables				
Trade accounts payable	36	1,046	5	17
Advances received from related parties	-	-	93,163	108,250
Accrued crew accounts	2,226	1,504	-	-
Accrued expenses	2,739	1,882	55	171
Current portion of accrued employee bonus	1,406	2,107	1,300	1,942
Total trade and other payables	6,407	6,539	94,523	110,380
Advances received from charterers	862	2,721	-	-
Current portion of long-term loans	8,297	22,673	398	9,055
Income tax payable	123	16	-	-

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity
 Statements of financial position (continued)

	Consolidated		(Unit: Thousand USD) Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2012	2011	2012	2011
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Other current liabilities				
Withholding tax payable	358	448	318	403
Others	669	648	164	306
Total other current liabilities	1,027	1,096	482	709
Total current liabilities	16,716	33,045	95,403	120,144
Non-current liabilities				
Accrued employee bonus - net of current portion	672	1,704	621	1,572
Long-term loans - net of current portion	231,451	199,040	26,672	58,586
Provision for maritime claims	2,490	2,040	-	-
Provision for long-term employee benefits	2,185	1,989	1,984	1,799
Total non-current liabilities	236,798	204,773	29,277	61,957
Total liabilities	253,514	237,818	124,680	182,101
Shareholders' equity				
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	490	473	490	473
Unappropriated	405,196	410,813	330,327	328,828
Other components of shareholders' equity	(1,005)	(1,113)	-	-
Equity attributable to owner of the Company	478,043	483,522	389,881	388,365
Non-controlling interests of the subsidiaries	13	1,045	-	-
Total shareholders' equity	478,043	484,567	389,881	388,365
Total liabilities and shareholders' equity	731,557	722,385	514,561	570,466

(Unaudited but reviewed)

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity**Income statements****For the three-month periods ended 30 September 2012 and 2011**

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Revenues				
Vessel operating income				
Hire income	18,412	16,368	-	-
Freight income	7,639	7,870	-	-
Total vessel operating income	26,051	24,238	-	-
Service income	172	28	581	408
Gains on sales of equipment	9	1	9	1
Gains on novation of shipbuilding contracts	9,760	4,311	9,760	4,311
Interest income	88	163	136	134
Exchange gains	-	76	-	139
Other income	107	71	87	-
Dividend received	-	-	3,691	7,110
Total revenues	36,187	28,888	14,264	12,103
Expenses				
Vessel operating costs				
Vessel running expenses	9,730	7,193	-	-
Voyage disbursements	1,429	1,307	-	-
Bunker consumption	3,298	2,768	-	-
Total vessel operating costs	14,457	11,268	-	-
Depreciation	7,556	5,263	30	40
Cost of services	18	30	-	-
Administrative expenses	1,502	1,418	1,350	1,263
Management remuneration including perquisites	802	821	755	774
Bad debts and doubtful accounts	18	-	-	-
Exchange losses	167	-	146	-
Total expenses	24,520	18,800	2,281	2,077
Profit before share of profit from investment in associate, finance cost and corporate income tax	11,667	10,088	11,983	10,026
Share of profit from investment in associate held by a subsidiary	56	142	-	-
Profit before finance cost and corporate income tax	11,723	10,230	11,983	10,026
Finance cost	(4,654)	(3,639)	(2,427)	(2,707)
Profit before corporate income tax	7,069	6,591	9,556	7,319
Corporate income tax	(45)	3	-	-
Profit for the period	7,024	6,594	9,556	7,319
Profit attributable to:				
Equity holders of the Company	7,013	6,590	9,556	7,319
Non-controlling interests of the subsidiaries	11	4	-	-
Profit for the period	7,024	6,594	9,556	7,319
				(Unit: USD)
Basic earnings per share				
Profit attributable to equity holders of the Company	0.0068	0.0064	0.0092	0.0070

(Unaudited but reviewed)

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries and jointly controlled entity**Income statements****For the nine-month periods ended 30 September 2012 and 2011**

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Revenues				
Vessel operating income				
Hire income	51,802	52,784	-	-
Freight income	31,365	22,081	-	-
Total vessel operating income	83,167	74,865	-	-
Service income	264	115	1,663	1,244
Gains on sales of equipment	9	46	9	47
Gains on novation of shipbuilding contracts	9,760	10,525	9,760	10,525
Interest income	488	541	572	505
Exchange gains	-	-	-	10
Other income	107	71	87	-
Dividend received	-	17	12,139	25,460
Total revenues	93,795	86,180	24,230	37,791
Expenses				
Vessel operating costs				
Vessel running expenses	28,443	20,912	-	-
Voyage disbursements	4,884	3,043	-	-
Bunker consumption	14,223	6,517	-	-
Total vessel operating costs	47,550	30,472	-	-
Depreciation	21,127	15,588	96	120
Cost of services	111	154	-	-
Administrative expenses	4,269	4,531	3,722	3,890
Management remuneration including perquisites	2,124	2,486	2,022	2,351
Bad debts and doubtful accounts	652	4	-	-
Exchange losses	189	116	229	-
Total expenses	76,022	53,351	6,069	6,361
Profit before share of profit (loss) from investment in associate, finance cost and corporate income tax	17,773	32,829	18,161	31,430
Share of profit (loss) from investment in associate held by a subsidiary	(293)	98	-	-
Profit before finance cost and corporate income tax	17,480	32,927	18,161	31,430
Finance cost	(11,208)	(9,415)	(4,949)	(6,850)
Profit before corporate income tax	6,272	23,512	13,212	24,580
Corporate income tax	(116)	(102)	-	-
Profit for the period	6,156	23,410	13,212	24,580
Profit attributable to:				
Equity holders of the Company	6,097	23,360	13,212	24,580
Non-controlling interests of the subsidiaries	59	50	-	-
Profit for the period	6,156	23,410	13,212	24,580
				(Unit: USD)
Basic earnings per share				
Profit attributable to equity holders of the Company	0.0059	0.0225	0.0127	0.0236

23. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 29 October 2012.