

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS

(Unit : Thousand Baht)

| | Note | CONSOLIDATED | | THE COMPANY ONLY | |
|---|------|-----------------------------|-------------------------|-----------------------------|-------------------------|
| | | 31 March 2003 | 31 December 2002 | 31 March 2003 | 31 December 2002 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | | 251,647 | 329,715 | 8,930 | 6,538 |
| Trade accounts receivable - net | 2 | 108,847 | 142,019 | - | - |
| Receivable from and advances to related parties | | | | | |
| Subsidiaries | 3 | - | - | 1,046,784 | 950,160 |
| Other related companies | 3 | 54,444 | 25,983 | 440 | 440 |
| Bunker oil | | 55,284 | 47,067 | - | - |
| Advances to vessel masters | | 42,451 | 39,525 | - | - |
| Other advances | | 457 | 1,442 | - | - |
| Other current assets | | 47,736 | 43,544 | 9,911 | 8,952 |
| Total current assets | | <u>560,866</u> | <u>629,295</u> | <u>1,066,065</u> | <u>966,090</u> |
| Non-current assets | | | | | |
| Investments accounted for under equity method | 4 | - | - | 5,574,369 | 5,297,114 |
| Other long-term investments | 4 | 35,556 | 35,556 | - | - |
| Vessels, condominium and equipment - net | 5 | 4,098,783 | 4,207,699 | 3,740 | 4,197 |
| Intangible assets | | | | | |
| Deferred charges - net | 6 | 190,976 | 219,365 | - | - |
| Goodwill - net | | 8,645 | 8,815 | - | - |
| Other non-current assets | | 3,047 | 3,106 | 432 | 471 |
| Total non-current assets | | <u>4,337,007</u> | <u>4,474,541</u> | <u>5,578,541</u> | <u>5,301,782</u> |
| Total assets | | <u><u>4,897,873</u></u> | <u><u>5,103,836</u></u> | <u><u>6,644,606</u></u> | <u><u>6,267,872</u></u> |

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS (Continued)

(Unit : Thousand Baht)

| | Note | CONSOLIDATED | | THE COMPANY ONLY | |
|---|------|-----------------------------|------------------|-----------------------------|------------------|
| | | 31 March 2003 | 31 December 2002 | 31 March 2003 | 31 December 2002 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Current liabilities | | | | | |
| Trade accounts payable | | 97,847 | 100,232 | 4,712 | 10,024 |
| Current portion of long-term loans | 7 | 484,856 | 393,386 | - | - |
| Payable to and advances from subsidiaries | 3 | - | - | 2,664,685 | 2,430,759 |
| Advances received from charterers | | 76,987 | 74,038 | 1,420 | 1,429 |
| Interest payable | | 3,705 | 1,010 | 3,208 | - |
| Accrued crew accounts | | 86,224 | 79,681 | - | - |
| Accrued guarantee obligation | | - | 21,061 | - | 21,061 |
| Other accrued expenses | | 64,659 | 85,285 | 1,546 | 1,546 |
| Other current liabilities | | 39,102 | 41,424 | 4,151 | 1,556 |
| Total current liabilities | | <u>853,380</u> | <u>796,117</u> | <u>2,679,722</u> | <u>2,466,375</u> |
| Non-current liabilities | | | | | |
| Bonds | 8 | 882,866 | - | 882,866 | - |
| Redeemable convertible debentures | 8 | - | 886,737 | - | 886,737 |
| Subordinated loans from subsidiaries | 3 | - | - | 662,818 | 662,818 |
| Long-term loans | 7 | <u>2,298,387</u> | <u>2,744,396</u> | <u>1,601,265</u> | <u>1,618,368</u> |
| Total non-current liabilities | | <u>3,181,253</u> | <u>3,631,133</u> | <u>3,146,949</u> | <u>3,167,923</u> |
| Total liabilities | | <u>4,034,633</u> | <u>4,427,250</u> | <u>5,826,671</u> | <u>5,634,298</u> |

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS (Continued)

(Unit : Thousand Baht)

| | CONSOLIDATED | | THE COMPANY ONLY | |
|---|-----------------------------|--------------------|-----------------------------|--------------------|
| | 31 March 2003 | 31 December 2002 | 31 March 2003 | 31 December 2002 |
| | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Shareholders' equity | | | | |
| Share capital | | | | |
| Authorised share capital | | | | |
| 197,300,000 ordinary shares of Baht 10 each | <u>1,973,000</u> | <u>1,973,000</u> | <u>1,973,000</u> | <u>1,973,000</u> |
| Issued and paid-up | | | | |
| 52,000,000 ordinary shares of Baht 10 each | 520,000 | 520,000 | 520,000 | 520,000 |
| Premium on ordinary shares | 926,055 | 926,055 | 926,055 | 926,055 |
| Translation adjustment | 168,244 | 168,889 | 168,244 | 168,889 |
| Retained earnings | | | | |
| Appropriated | | | | |
| Statutory reserve - the Company | 60,500 | 60,500 | 60,500 | 60,500 |
| - Subsidiaries | 77,466 | 77,466 | - | - |
| General reserve in subsidiaries | 24,182 | 24,182 | - | - |
| Unappropriated (Deficit) | <u>(958,512)</u> | <u>(1,143,518)</u> | <u>(856,864)</u> | <u>(1,041,870)</u> |
| Total equity attributable to Company's shareholders | <u>817,935</u> | <u>633,574</u> | <u>817,935</u> | <u>633,574</u> |
| Minority interest - Equity attributable to minority shareholders of subsidiaries | <u>45,305</u> | <u>43,012</u> | <u>-</u> | <u>-</u> |
| Total shareholders' equity | <u>863,240</u> | <u>676,586</u> | <u>817,935</u> | <u>633,574</u> |
| Total liabilities and shareholders' equity | <u>4,897,873</u> | <u>5,103,836</u> | <u>6,644,606</u> | <u>6,267,872</u> |
| | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |

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

DIRECTORS

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF EARNINGS
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2003 AND 2002

| | | (Unit : Thousand Baht) | | | |
|--|------|------------------------|-------------------|-------------------------|-------------------|
| | | CONSOLIDATED | | THE COMPANY ONLY | |
| | Note | 2003 | 2002 | 2003 | 2002 |
| Revenues | | | | | |
| Vessel operating income | | 857,268 | 881,761 | - | - |
| Service income | | 1,272 | 2,928 | - | - |
| Gains on disposal of fixed assets | | 177 | 10,985 | - | - |
| Exchange gains | 9 | 11,861 | 43,268 | 2,700 | 9,914 |
| Other income | | 829 | 2,057 | 132 | 317 |
| Share of profit from investments accounted for under equity meth | | - | - | 271,061 | 181,432 |
| Total revenues | | <u>871,407</u> | <u>940,999</u> | <u>273,893</u> | <u>191,663</u> |
| Expenses | | | | | |
| Vessel operating costs | | 461,539 | 553,066 | - | - |
| Cost of services | | 2,686 | 3,484 | - | - |
| Administrative expenses | | 42,492 | 54,307 | 38,039 | 46,730 |
| Allowance for doubtful accounts | | 2,170 | 8,694 | - | - |
| Depreciation | | 110,148 | 124,953 | 485 | 557 |
| Provision for loss on other investments | | - | 27,780 | - | - |
| Directors' remuneration | | 595 | 335 | 595 | 335 |
| Total expenses | | <u>619,630</u> | <u>772,619</u> | <u>39,119</u> | <u>47,622</u> |
| Earnings before interest and financial costs | | <u>251,777</u> | <u>168,380</u> | <u>234,774</u> | <u>144,041</u> |
| Interest and financial costs | | 64,478 | 52,493 | 49,768 | 29,370 |
| Corporate income tax | | - | 225 | - | - |
| Earnings before minority interest and extraordinary item | | <u>187,299</u> | <u>115,662</u> | <u>185,006</u> | <u>114,671</u> |
| Net earnings of minority interest | | -2,293 | -991 | - | - |
| Net earnings for the period | | <u>185,006</u> | <u>114,671</u> | <u>185,006</u> | <u>114,671</u> |
| (Unit : Baht) | | | | | |
| Basic earnings per share | | | | | |
| Net earnings | | <u>3.56</u> | <u>2.21</u> | <u>3.56</u> | <u>2.21</u> |
| Weighted average number of ordinary shares (shares) | | <u>52,000,000</u> | <u>52,000,000</u> | <u>52,000,000</u> | <u>52,000,000</u> |

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

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2003 AND 2002

| | CONSOLIDATED | | THE COMPANY ONLY | |
|---|---------------------|----------------|-------------------------|----------------|
| | <u>2003</u> | <u>2002</u> | <u>2003</u> | <u>2002</u> |
| Cash flows from (used in) operating activities | | | | |
| Net earnings | 185,006 | 114,671 | 185,006 | 114,671 |
| Adjustments to reconcile net earnings to net cash provided by (used in) operating activities :- | | | | |
| Depreciation | 110,148 | 124,953 | 485 | 557 |
| Amortisation | 35,557 | 40,331 | - | - |
| Allowance for doubtful accounts | 2,170 | 8,694 | - | - |
| Unrealised exchange gains | -9,252 | -40,577 | -3,895 | -11,509 |
| Share of profit from investments accounted for under equity me | - | - | (271,061) | (181,432) |
| Provision for loss on other investments | - | 27,780 | - | - |
| Gains on disposal of fixed assets | -177 | -10,985 | - | - |
| Increase in minority interest | 2,293 | 4,929 | - | - |
| | <u>325,745</u> | <u>269,796</u> | <u>-89,465</u> | <u>-77,713</u> |
| Operating assets (increase) decrease | | | | |
| Trade accounts receivable | 30,195 | (10,909) | - | - |
| Receivable from and advances to related parties | (28,461) | (7,495) | -103,462 | 85,115 |
| Bunker oil | -8,218 | 13,524 | - | - |
| Other current assets | -6,133 | 40,866 | -960 | 2,538 |
| Intangible and other non-current assets | (6,939) | (30,899) | 39 | - |
| Operating liabilities increase (decrease) | | | | |
| Trade accounts payable | (2,632) | (13,463) | (5,296) | 637 |
| Payable to and advances from subsidiaries | - | - | 233,925 | 91,823 |
| Advances received from charterers | 2,671 | 16,322 | - | - |
| Other current liabilities | -34,782 | -38,264 | (15,258) | (3,660) |
| Net cash from operating activities | <u>271,446</u> | <u>239,478</u> | <u>19,523</u> | <u>98,740</u> |

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

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Continued)
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2003 AND 2002

(Unit : Thousand Baht)

| | CONSOLIDATED | | THE COMPANY ONLY | |
|---|---------------------|------------------|-------------------------|-----------------|
| | <u>2003</u> | <u>2002</u> | <u>2003</u> | <u>2002</u> |
| Cash flows from (used in) investing activities | | | | |
| Decrease in deposits at banks with maturity of more than 3 months and amount pledged | - | 187 | - | 187 |
| Acquisition of fixed assets | (1,231) | (821) | (28) | (30) |
| Disposal of fixed assets | 176 | 51,847 | - | - |
| Net cash from (used in) investing activities | <u>-1,055</u> | <u>51,213</u> | <u>(28)</u> | <u>157</u> |
| Cash flows used in financing activities | | | | |
| Cash paid for long-term loans | (347,814) | (313,542) | (17,103) | (95,316) |
| Net cash used in financing activities | <u>(347,814)</u> | <u>(313,542)</u> | <u>(17,103)</u> | <u>(95,316)</u> |
| Increase (decrease) in translation adjustment | -645 | 3,329 | - | - |
| Net increase (decrease) in cash and cash equivalents | -78,068 | -19,522 | 2,392 | 3,581 |
| Cash and cash equivalents at beginning of period | 329,715 | 261,591 | 6,538 | 3,822 |
| Cash and cash equivalents at end of period | <u>251,647</u> | <u>242,069</u> | <u>8,930</u> | <u>7,403</u> |
| Supplemental cash flow information | | | | |
| Cash paid during the period for | | | | |
| Interest expenses | 47,139 | 53,384 | 32,825 | 29,969 |
| Non-cash transactions | | | | |
| Increase in redeemable convertible debentures from the change in proportion of liabilities element as at the balance sheet date | - | 68,328 | - | 68,328 |
| Decrease in unrealised gain on redeemable convertible debentures from the change in proportion of equity element as at the balance sl | - | (68,328) | - | (68,328) |

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