

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
BALANCE SHEETS

(Unit : Thousand Baht)

		CONSOLIDATED		THE COMPANY ONLY	
	Note	30 September 2001 (Unaudited but reviewed)	31 December 2000 (Audited)	30 September 2001 (Unaudited but reviewed)	31 December 2000 (Audited)
ASSETS					
Current assets					
Cash on hand and at banks	2	285,223	257,488	35,029	15,754
Trade accounts receivable - net	3	187,066	104,719	-	437
Amounts due from subsidiaries	4	-	-	1,219,085	1,325,049
Amounts due from associated and related companies	4	9,380	-	1,242	-
Bunker oil		66,312	87,001	-	-
Other current assets					
Advances to vessel master		43,287	98,076	-	9,856
Other receivable	5	-	59,197	-	59,197
Others		185,850	156,057	15,694	29,989
Total current assets		777,118	762,538	1,271,050	1,440,282
Investments	6				
Subsidiaries		-	-	4,248,835	3,572,832
Associated and other companies		149,359	168,985	22,955	17,225
Vessels, condominium and equipment - net	7	4,915,029	5,478,767	5,379	7,685
Other assets					
Deferred charges-net		246,220	257,337	-	-
Others		9,327	13,555	1,454	1,459
Goodwill		9,663	10,171	-	-
Total assets		6,106,716	6,691,353	5,549,673	5,039,483

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	
	Note	30 September 2001 (Unaudited but reviewed)	31 December 2000 (Audited)	30 September 2001 (Unaudited but reviewed)	31 December 2000 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable		133,620	211,902	3,396	6,173
Amounts due to subsidiaries	4	-	-	1,856,431	1,523,411
Amounts due to associated and related companies	4	-	19,517	-	-
Advance received from charterers		85,084	98,150	1,470	1,434
Current portion of long-term loans	8	617,798	817,346	52,769	45,351
Other current liabilities					
Interest payable		6,017	5,924	381	420
Accrued crew accounts		102,501	94,051	-	-
Others		123,014	122,284	6,648	11,852
Total current liabilities		1,068,034	1,369,174	1,921,095	1,588,641
Redeemable convertible debentures	9	750,796	624,620	750,796	624,620
Subordinated loans from subsidiaries	4	-	-	662,818	662,818
Long-term loans - net of current portion	8	3,840,132	4,332,353	1,806,466	1,859,470
Total liabilities		5,658,962	6,326,147	5,141,175	4,735,549
Shareholders' equity					
Share capital					
Authorized					
197,300,000 ordinary shares of Baht 10 each		1,973,000	1,973,000	1,973,000	1,973,000
Issued and fully paid					
52,000,000 ordinary shares of Baht 10 each		520,000	520,000	520,000	520,000
Premium on share capital		926,055	926,055	926,055	926,055
Cumulative translation adjustment		144,159	140,638	144,159	140,630
Unrealised gain on redeemable convertible debentures	9	404,275	874,348	404,275	874,348
Retained earnings					
Appropriated					
- Statutory reserve		77,466	77,466	-	-
- Reserve fund		60,500	60,500	60,500	60,500
- General reserve in subsidiaries		24,182	24,182	-	-
Unappropriated (Deficit)		-1,748,139	-2,319,269	-1,646,491	-2,217,599
Equity attributable to Company's shareholders		408,498	303,920	408,498	303,934
Minority interest - Equity attributable to minority shareholders of subsidiaries					
		39,256	61,286	-	-
Total shareholders' equity		447,754	365,206	408,498	303,934
Total liabilities and shareholders' equity		6,106,716	6,691,353	5,549,673	5,039,483

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

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DIRECTORS

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF EARNINGS  
FOR THE THREE-MONTH PERIODS ENDED 30 SEPTEMBER 2001 AND 2000

(Unit : Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2001	2000 (Restated)	2001	2000 (Restated)
Revenues					
Vessel operating income		970,723	1,027,395	-	7,459
Service income		7,935	18,493	-	-
Share of profit from subsidiary and associated companies		-	3,727	246,155	-392,188
Other income		4,209	10,695	1,499	1,135
Total revenues		<u>982,867</u>	<u>1,060,310</u>	<u>247,654</u>	<u>-383,594</u>
Expenses					
Vessel operating costs		545,712	569,634	-	8,593
Cost of services		5,212	15,207	-	-
Administrative expenses		44,511	44,554	32,972	34,440
Doubtful accounts		30,776	4,420	82	113
Depreciation		133,178	147,365	674	1,564
Loss on disposal of fixed assets		22,136	65,875	-	40,604
Exchange (gains) losses	10	-55,055	304,034	-10,937	73,424
Directors' remuneration		347	310	347	310
Interest and financial costs		75,218	88,767	32,001	-13,913
Total expenses		<u>802,035</u>	<u>1,240,166</u>	<u>55,139</u>	<u>145,135</u>
Gain (loss) before income tax, minority interest and extraordinary item		<u>180,832</u>	<u>-179,856</u>	<u>192,515</u>	<u>-528,729</u>
Corporate income tax		-381	-742	-	-
Gain (loss) before minority interest and extraordinary item		<u>180,451</u>	<u>-180,598</u>	<u>192,515</u>	<u>-528,729</u>
Minority interest		<u>12,064</u>	<u>-1,285</u>	<u>-</u>	<u>-</u>
Gain (loss) before extraordinary item		<u>192,515</u>	<u>-181,883</u>	<u>192,515</u>	<u>-528,729</u>
Extraordinary item					
Gain on debt restructuring - net		-	-	-	346,846
Gain on redemption of redeemable convertible debentures	9	<u>102,377</u>	<u>-</u>	<u>102,377</u>	<u>-</u>
Net earnings (loss) for the period		<u><u>294,892</u></u>	<u><u>-181,883</u></u>	<u><u>294,892</u></u>	<u><u>-181,883</u></u>
					( ) :
Basic earnings per share					
Earnings (loss) before extraordinary item		3.70	-3.50	3.70	-10.17
Extraordinary item		1.97	-	1.97	6.67
Net earnings (loss)		<u>5.67</u>	<u>-3.50</u>	<u>5.67</u>	<u>-3.50</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>
Diluted earnings per share	1.4				
Earnings (loss) before extraordinary item		1.16	-3.50	1.16	-10.17
Extraordinary item		-	-	-	6.67
Net earnings (loss)		<u>1.16</u>	<u>-3.50</u>	<u>1.16</u>	<u>-3.50</u>
Weighted average number of ordinary shares (shares)		<u>154,093,262</u>	<u>52,000,000</u>	<u>154,093,262</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 EARNINGS  
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2001 AND 2000

(Unit : Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2001	2000 (Restated)	2001	2000 (Restated)
Revenues					
Vessel operating income		3,153,911	2,994,934	-	69,627
Service income		23,682	52,991	-	-
Share of profit from subsidiary and associated companies		5,730	3,727	655,615	-221,669
Other income		10,848	22,810	2,402	2,805
Total revenues		<u>3,194,171</u>	<u>3,074,462</u>	<u>658,017</u>	<u>-149,237</u>
Expenses					
Vessel operating costs		1,818,874	1,856,831	-	73,436
Cost of services		37,074	38,916	-	-
Administrative expenses		140,550	119,440	114,601	87,588
Doubtful accounts (Reversal)		103,385	2,844	71,767	-2,835
Depreciation		415,065	462,301	2,138	6,761
Loss on disposal of fixed assets		8,613	98,006	553	40,544
Exchange losses	10	86,088	499,433	25,380	179,205
Directors' remuneration		980	815	980	815
Interest and financial costs		252,721	478,336	90,537	296,124
Total expenses		<u>2,863,350</u>	<u>3,556,922</u>	<u>305,956</u>	<u>681,638</u>
Gain (loss) before income tax, minority interest and extraordinary item		<u>330,821</u>	<u>-482,460</u>	<u>352,061</u>	<u>-830,875</u>
Corporate income tax		-790	-1,785	-	-
Gain (loss) before minority interest and extraordinary item		<u>330,031</u>	<u>-484,245</u>	<u>352,061</u>	<u>-830,875</u>
Minority interest		<u>22,030</u>	<u>217</u>	<u>-</u>	<u>-</u>
Gain (loss) before extraordinary item		<u>352,061</u>	<u>-484,028</u>	<u>352,061</u>	<u>-830,875</u>
Extraordinary item					
Gain from termination of interest and currency swap agreement		-	62,404	-	62,404
Gain on debt restructuring - net		-	-	-	346,847
Gain on redemption of redeemable convertible debentures	9	219,069	-	219,069	-
Net earnings (loss) for the period		<u><u>571,130</u></u>	<u><u>-421,624</u></u>	<u><u>571,130</u></u>	<u><u>-421,624</u></u>
Basic earnings per share					
Earnings (loss) before extraordinary item		6.77	-9.31	6.77	-15.98
Extraordinary item		4.21	1.20	4.21	7.87
Net earnings (loss)		<u>10.98</u>	<u>-8.11</u>	<u>10.98</u>	<u>-8.11</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>
Diluted earnings per share	1.4				
Earnings (loss) before extraordinary item		2.04	-9.31	2.04	-15.98
Extraordinary item		-	1.20	-	7.87
Net earnings (loss)		<u>2.04</u>	<u>-8.11</u>	<u>2.04</u>	<u>-8.11</u>
Weighted average number of ordinary shares (shares)		<u>183,889,095</u>	<u>52,000,000</u>	<u>183,889,095</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 CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2001 AND 2000

(Unit : Thousand Baht)

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
		(Restated)		(Restated)
<b>Share capital</b>				
Ordinary shares				
Balance - beginning of period	520,000	520,000	520,000	520,000
Balance - end of period	<u>520,000</u>	<u>520,000</u>	<u>520,000</u>	<u>520,000</u>
<b>Premium on share capital</b>				
Balance - beginning of period	926,055	926,055	926,055	926,055
Balance - end of period	<u>926,055</u>	<u>926,055</u>	<u>926,055</u>	<u>926,055</u>
<b>Cumulative translation adjustment</b>				
Balance - beginning of period	140,638	55,298	140,630	55,298
Increase during the period	3,521	75,456	3,529	75,456
Balance - end of period	<u>144,159</u>	<u>130,754</u>	<u>144,159</u>	<u>130,754</u>
<b>Unrealised gain on redeemable convertible debentures</b>				
Balance - beginning of period	874,348	-	874,348	-
Increase (Decrease) during the period	-470,073	861,231	-470,073	861,231
Balance - end of period	<u>404,275</u>	<u>861,231</u>	<u>404,275</u>	<u>861,231</u>
<b>Retained earnings</b>				
<b>Appropriated</b>				
<b>Statutory reserve</b>				
Balance - beginning of period	77,466	77,466	-	-
Balance - end of period	<u>77,466</u>	<u>77,466</u>	<u>-</u>	<u>-</u>
<b>Reserve fund</b>				
Balance - beginning of period	60,500	60,500	60,500	60,500
Balance - end of period	<u>60,500</u>	<u>60,500</u>	<u>60,500</u>	<u>60,500</u>
<b>General reserve</b>				
Balance - beginning of period	24,182	24,182	-	-
Balance - end of period	<u>24,182</u>	<u>24,182</u>	<u>-</u>	<u>-</u>
<b>Unappropriated</b>				
Balance - beginning of period (deficit), as restated	-2,319,269	-1,952,628	-2,217,621	-1,850,980
Increase (decrease) during the period	571,130	-421,624	571,130	-421,624
Balance - end of period (deficit)	<u>-1,748,139</u>	<u>-2,374,252</u>	<u>-1,646,491</u>	<u>-2,272,604</u>
<b>Equity attributable to Company's shareholders</b>	<u>408,498</u>	<u>225,936</u>	<u>408,498</u>	<u>225,936</u>
<b>Minority interest - Equity attributable to minority shareholders of subsidiaries</b>				
Balance - beginning of period	61,286	65,597	-	-
Decrease during the period	-22,030	1,424	-	-
Balance - end of period	<u>39,256</u>	<u>67,021</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>	<u>447,754</u>	<u>292,957</u>	<u>408,498</u>	<u>225,936</u>

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

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF RETAINED EARNINGS  
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2001 AND 2000

(Unit : Thousand Baht)

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
		(Restated)		(Restated)
<b>Retained earnings - appropriated</b>				
Statutory reserve	77,466	77,466	-	-
Reserve fund	60,500	60,500	60,500	60,500
General reserve in subsidiaries	24,182	24,182	-	-
Total retained earnings - appropriated	<u>162,148</u>	<u>162,148</u>	<u>60,500</u>	<u>60,500</u>
<b>Retained earnings - unappropriated (deficit)</b>				
Balance - beginning of period, as previously reported	-2,319,269	-1,957,296	-2,217,599	-1,855,626
Cumulative effect of the change in accounting policy in relation to depreciation on revaluation surplus of subsidiaries' assets	-	4,668	-	4,646
Adjustment item	-	-	-22	-
Balance - beginning of period, as restated	<u>-2,319,269</u>	<u>-1,952,628</u>	<u>-2,217,621</u>	<u>-1,850,980</u>
Net earnings for the period	571,130	-421,624	571,130	-421,624
Total retained earnings - unappropriated	<u>-1,748,139</u>	<u>-2,374,252</u>	<u>-1,646,491</u>	<u>-2,272,604</u>
<b>Total retained earnings (deficit)</b>	<u><u>-1,585,991</u></u>	<u><u>-2,212,104</u></u>	<u><u>-1,585,991</u></u>	<u><u>-2,212,104</u></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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2001 AND 2000

(Unit : Thousand Baht)

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>2001</u>	<u>2000</u> (Restated)	<u>2001</u>	<u>2000</u> (Restated)
<b>Cash flows from (used in) operating activities</b>				
Net earnings (loss)	571,130	-421,624	571,130	-421,624
Adjustments to reconcile net earnings (loss) to net cash provided by (used in) operating activities				
Depreciation	415,065	462,301	2,138	6,761
Amortisation	124,489	122,300	-	4,173
Allowance for doubtful accounts (Reversal)	103,385	2,844	71,767	-2,835
Unrealised exchange losses	66,434	372,454	19,046	66,979
Share of profit from subsidiaries and associated companies	(5,730)	-3,727	-655,615	221,668
Gain from termination of interest and currency swap agreement	-	-62,404	-	-62,404
Gain on debt restructuring	-	-67,858	-	-424,760
Gain on redemption of redeemable convertible debentures	-219,069	-	-219,069	-
Loss on disposal of fixed assets	8,613	98,006	553	40,544
Unrealised gain on the change in value of investments	-	-816	-	-616
(Increase) decrease in minority interest	-22,030	1,423	-	-
	<u>1,042,287</u>	<u>502,899</u>	<u>-210,050</u>	<u>-572,114</u>
Operating assets (increase) decrease				
Trade accounts receivable	-107,004	55,014	-	4,506
Bunker oil	20,688	10,219	-	3,180
Other current assets	26,487	-26,446	12,076	-6,376
Other assets	-119,916	-208,832	5	-15,768
Operating liabilities increase (decrease)				
Trade accounts payable	-77,197	3,218	-2,873	-10,225
Amounts due to subsidiaries and associated companies - net	-28,897	9,320	415,128	1,619,124
Advance received from charterers	-13,360	66,867	-	-
Other current liabilities	9,279	-391,754	-5,241	-446,129
Net cash from operating activities	<u>752,367</u>	<u>20,505</u>	<u>209,045</u>	<u>576,198</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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2001 AND 2000

(Unit : Thousand Baht)

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
		(Restated)		(Restated)
<b>Cash flows from (used in) investing activities</b>				
Decrease (increase) in cash at banks with maturity of more than 3 months and amount pledged	4,032	-17,021	188	-13,154
Acquisition of fixed assets	-840	-10,304	-421	-481
Disposal of fixed assets	136,634	245,699	37	42,328
Net cash from (used in) investing activities	<u>139,826</u>	<u>218,374</u>	<u>-196</u>	<u>28,693</u>
<b>Cash flows from (used in) financing activities</b>				
Increase in loans from banks	-	-650	-	-
Decrease in long-term loans	-748,515	258,826	-48,598	-43,713
Increase (decrease) in debentures	-	-578,669	-	-578,669
Cash paid on redemption of redeemable convertible debentures	-140,787	-	-140,788	-
Net cash used in financing activities	<u>-889,302</u>	<u>-320,493</u>	<u>-189,386</u>	<u>-622,382</u>
Increase in cumulative translation adjustment	<u>28,876</u>	<u>62,608</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>31,767</u>	<u>-19,006</u>	<u>19,463</u>	<u>-17,491</u>
Cash and cash equivalents at beginning of period	<u>227,395</u>	<u>250,488</u>	<u>1,806</u>	<u>28,238</u>
Cash and cash equivalents at end of period (Note 11)	<u><u>259,162</u></u>	<u><u>231,482</u></u>	<u><u>21,269</u></u>	<u><u>10,747</u></u>
<b>Supplemental cash flow information</b>				
Cash paid during the period for				
Interest expense	245,910	785,206	85,465	718,513
Corporate income tax	1,194	696	-	-
Non-cash transaction				
Decrease in redemption of redeemable convertible debentures at disco	-219,070	-	-219,070	-
Increase in redeemable convertible debentures from the change in proportion of liabilities element as at the balance sheet date	486,033	-	486,033	-
Decrease in unrealised gain on redeemable convertible debentures from the change in proportion of equity element as at the balance sheet date	-486,033	-	-486,033	-

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